United Nations A/66/692

General Assembly

Distr.: General
10 February 2012

Original: English

Sixty-sixth session
Agenda item 132
Review of the efficiency of the administrative and financial functioning of the United Nations

Implementation of General Assembly resolution 64/259

Report of the Secretary-General

Summary

The Secretary-General has the honour to transmit to the General Assembly the report on the implementation of Assembly resolution 64/259. The report highlights the progress made over the past two years to strengthen accountability within the Secretariat, in particular the efforts to deepen a culture of accountability, clarify and codify delegations of authority, further implement human resources management reforms, including a new performance management and development system, and lay the groundwork for the introduction of enterprise risk management. The report notes that strengthening accountability is a work in progress, and that more work remains to be done.

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I. Introduction

1. The present report is submitted in response to General Assembly resolution 64/259, in which the Assembly agreed on a definition of accountability for the United Nations Secretariat[1] and requested that the Secretary-General report on the implementation of the resolution at the main part of its sixty-sixth session. In order to consult with all relevant stakeholders, the Secretary-General requested a postponement of the submission date of the report to the first resumed part of the sixty-sixth session.

2. Using the following structure of subtitles extracted from resolution 64/259, the report explains the actions undertaken by the Secretariat in the following areas:

- Promoting a culture of accountability
- Delegation of authority
- Implementation of recommendations of oversight bodies
- Personal and institutional accountability
- Reform of the performance appraisal system
- Selection and appointment of senior managers
- Enterprise risk management and internal control framework
- Concrete measures to prevent potential conflict of interest in the current process governing procurement.

3. The report also contains a comprehensive enterprise risk management and internal control policy for the Organization (see annex), which is the culmination of an extensive consultation process with the Independent Audit Advisory Committee, the oversight bodies, various agencies, funds and programmes of the United Nations system and selected departments of the Secretariat.

4. The Secretary-General wishes to fully harmonize and integrate his results-based management proposals with other accountability and performance-related initiatives resulting from the change management exercise. Since further progress is expected over the coming months, including through an examination of the experience of other organizations that have introduced results-based management, it was considered premature to report on those efforts at the present time.

[1] The definition, as adopted by the General Assembly in resolution 64/259, reads:
"Accountability is the obligation of the Secretariat and its staff members to be answerable for all decisions made and actions taken by them, and to be responsible for honouring their commitments, without qualification or exception.
"Accountability includes achieving objectives and high-quality results in a timely and cost-effective manner, in fully implementing and delivering on all mandates to the Secretariat approved by the United Nations intergovernmental bodies and other subsidiary organs established by them in compliance with all resolutions, regulations, rules and ethical standards; truthful, objective, accurate and timely reporting on performance results; responsible stewardship of funds and resources; all aspects of performance, including a clearly defined system of rewards and sanctions; and with due recognition to the important role of the oversight bodies and in full compliance with accepted recommendations."

5. The present report details several initiatives that have been undertaken since the last report on an accountability system (A/64/640) was submitted to the General Assembly in 2010, including:

(a) Launch of an Intranet website dedicated to the subject of accountability, which serves as a cornerstone of a communications campaign to raise awareness and promote a culture of accountability among staff at all levels;

(b) A complete review of the delegation of authority for human resources, and for financial and property management in order to establish clearly who has been delegated with the authority to take specific decisions and actions and to identify the legal source of such authority;

(c) Introduction of a data-driven and goal-focused human resources management scorecard that delivers timely performance information relevant to the monitoring needs of managers and other stakeholders;

(d) Reform of the performance appraisal system to strengthen managerial accountability and shift the focus from compliance to advisory support, with an emphasis on career and staff development;

(e) Promulgation and testing of a policy for the Secretariat-wide implementation of enterprise risk management.

6. These initiatives benefited from consultation with relevant stakeholders within and outside the United Nations.

II. Promoting a culture of accountability

7. Early in 2011, a new portal dedicated to accountability was introduced on iSeek, the Secretariat's Intranet, in order to make information about accountability more accessible to staff at all levels and to promote a common and practical understanding of what accountability means (http://iseek.un.org/m210.asp?dept=1940&e). The portal, known as "Accountability A to Z", provides ready access links to key documents that contain all elements of the accountability architecture currently in place at the Secretariat, including:

- Reference library (key documents and accountability instruments, searchable by department)
- Practical guidance
- Feature articles/news
- Useful links.

8. The structure of the portal is aligned with the definition of accountability provided in General Assembly resolution 64/259 and includes the following sections:

- Charter of the United Nations
- Commitments and results
- Internal controls and systems
- Standards and ethics
- Oversight functions.

9. The website includes a link to the Charter, which forms the basis of the accountability system in the Secretariat. The section on commitments and results contains the planning, budgetary and performance reporting documents and guidance. The internal controls and systems section covers the regulations, rules and administrative processes and procedures, including issues related to the administration of justice and informal dispute resolution, as these are safeguards that guarantee fairness in the functioning of the internal system. The standards and ethics section includes information related to conduct and discipline, reporting wrongdoing, protection against retaliation and financial disclosure. The oversight functions section explains the roles of the Office of Internal Oversight Services (OIOS), the Board of Auditors, the Joint Inspection Unit and the Independent Audit Advisory Committee.

10. The portal has been the cornerstone of a communications strategy to raise awareness and promote a culture of accountability throughout the Secretariat. To maximize visibility and set the "tone at the top", the Secretary-General announced the launch of the portal at the 2011 senior managers' compact-signing ceremony, and it has since been promoted at a variety of annual gatherings and training workshops, including management performance training sessions, a meeting of heads of training, the annual Chief Finance Procurement Officers' meetings and at the managers' forum. The portal will also be presented to staff at induction trainings and will be referenced in related documents and initiatives and on other websites.

11. In order to attract visitors to the site and to sustain interest in issues related to accountability, the cover page of the website is updated monthly with feature articles and recommended reading materials, training opportunities and other topics of interest to staff.

III. Delegation of authority

12. A requirement of a well-functioning accountability system is the establishment of clarity regarding which staff members have the authority to take certain actions. With this in mind, the General Assembly, in its resolution 64/259, requested the Secretary-General "to urgently address the continued deficiencies in the current delegation of authority system". In response to that request, the Secretariat conducted a comprehensive review of the existing system in respect to the Staff Regulations and Rules (which cover all aspects of human resources management within the Organization) and the Financial Regulations and Rules (which cover all matters related to finance, budgeting, procurement and property management). The aim of this comprehensive process was to establish who has the delegated authority to take specific decisions and actions and to identify the legal source of authority in each instance.

Staff Regulations and Rules

13. In the area of human resources, the review of delegation of authority revealed that authority had been delegated in many different ways (for example, through official policy issuances, memoranda, notes[1] and even handwritten remarks on

[1] The use of notes for the purpose of delegating authority, without a statement of the functional titles of the addressee or the author, and often bearing only a signature without any printed name, has led to a record of communications which today, some 20 to 40 years later, cannot be verified vis-à-vis the author's right to delegate authority on specific subject matter in the first place.

documents). The method for such delegation has often been inconsistent, and subject to change based on countless ad hoc requests by various offices and entities.

14. In order to devise a coherent and more uniform system, the Secretary-General undertook a comprehensive revision of the system to ensure that authority is delegated: (a) in an aligned format; (b) by those who possess the authority to mandate action; (c) in a transparent manner; and (d) following a consistent approach.

15. The revised system for the delegation of authority in respect to the Staff Regulations and Rules will: (a) correct current shortcomings; (b) address consequences of the newly promulgated series one of the Staff Rules on the delegation of authority (ST/SGB/2011/1); (c) ensure transparency; and (d) differentiate authority by staff grade level, where appropriate.

16. The proposed implementation of the revised and consolidated format contains several layered steps. First, a Secretary-General's Bulletin will be issued specifying general principles of delegation based on earlier issuances and current practice and detailing which specific authorities under each relevant staff regulation and staff rule are to be retained exclusively by the Secretary-General or delegated by him to the Under-Secretary-General for Management.[3]

17. The next layer will be the further delegation of authority by the Under-Secretary-General for Management to other departments and offices in the Secretariat, which will be done through administrative issuances. Each issuance will be accompanied by detailed tables listing the relevant provisions of the Staff Regulations and Rules and the specific delegation in the administration thereof.

Financial Regulations and Rules

18. The delegation of authority under the Financial Regulations and Rules is exercised by authorized officials who are granted the authority on a personal basis, as opposed to authority for human resources, which is delegated by function. The Secretary-General has completed a comprehensive update of the existing system, and the layered steps described above will also be used to direct their promulgation.

IV. Implementation of the recommendations of oversight bodies

19. As stated in the previous report of the Secretary-General on an accountability system (A/64/640), the oversight bodies play an important role in promoting a culture of compliance and integrity. They provide critical support to managers by independently assessing the adequacy and effectiveness of the internal control system.

[3] The Secretary-General, by ST/SGB/151 of 7 January 1976, and as further specified by ST/AI/234 of 7 January 1976, ST/AI/234/Rev.1 of 22 March 1989 and ST/AI/234/Rev.1/Amend.1 of 14 June 1990, delegated certain authority directly to heads of offices and departments, including offices away from Headquarters, as well as to the then Assistant Secretary-General for Personnel Services and the Controller. Under ST/SGB/2010/9, the Under-Secretary-General for Management now holds "overall responsibility for the management of the financial, human and physical resources of the Secretariat, in accordance with the Secretary-General's delegation of authority," and takes many human resources-related decisions for the Organization.

20. The Secretariat has undertaken important steps to strengthen the oversight roles and functions, and those efforts that have been recognized by independent entities.[3] The Secretary-General remains fully committed to implementing the recommendations of the oversight bodies and to incorporating them into the executive management process. Managers also accept this as one of their primary responsibilities. Accordingly, implementation of the recommendations is part of the senior manager's compact. In addition, the Department of Management reports the status of implementation quarterly to the Management Committee. The Management Committee has also instituted a regular and direct dialogue with all of the oversight bodies as a means of sharing perspectives on issues of mutual concern and strengthening, collectively, the management of the Organization. The implementation of the recommendations of the oversight bodies is a key aspect of that dialogue.[4]

21. The Secretary-General is also taking further steps to strengthen the accountability chain vis-à-vis the oversight roles and functions by defining, through administrative issuances, the roles and responsibilities within the Secretariat in relation to the engagements, reports and recommendations of the oversight bodies. For example, he is strengthening the role and building the capacity of the departmental focal points responsible for coordinating all matters concerning the oversight functions. A network of focal points is now in place, with members receiving training on how to provide appropriate responses to the recommendations made by the oversight bodies.

22. The increased attention to oversight issues and monitoring of recommendations has resulted in a positive trend in the implementation of recommendations in the Secretariat, a trend that has been noted by the oversight bodies.[5] For example, within three years of their issuance, 95 per cent of OIOS recommendations and virtually 100 per cent of Board of Auditors recommendations are implemented.

V. Personal and institutional accountability

Human resources management reform and personal accountability

23. The Secretary-General has implemented a range of human resources management reforms pursuant to General Assembly resolutions 63/250 and 65/247.

[3] For example, the Joint Inspection Unit, in its report "The audit function in the United Nations system" (A/66/734) recognized the following as positive actions in this area: the increased time and resources dedicated to strengthening the audit oversight function; a notable improvement in the scope, coverage and effectiveness of the audit activity; advancement in the institutionalization of the internal audit function; and the establishment of audit oversight committees as a major step towards improving the audit oversight function at United Nations system organizations.

[4] See terms of reference of the Management Committee in ST/SGB/2006/14 and ST/SGB/2011/3.

[5] For example, the Independent Audit Advisory Committee in its report for the period from 1 August 2009 to 31 July 2010 (A/65/329) noted the efforts by the administration to continuously monitor the status of implementation of recommendations made by the oversight bodies (para. 19) and acknowledged that the Management Committee, under the chairmanship of the Deputy Secretary-General, continues to make a concerted effort to stress to programme managers the need to expeditiously implement the recommendations of the oversight bodies and to continue to closely monitor their implementation (para. 20).

Most notably, in the context of the present report, important progress was made regarding personal accountability with the introduction of a data-driven and goal-focused human resources management scorecard and a revised performance and talent management system. Other measures, such as the contractual reform that aligned the previously applicable contractual modalities and related accountability tools into a unified series of rules applicable to all staff, have also strengthened accountability.

Human resources management scorecard

24. In 2011 the Secretary-General introduced the human resources management scorecard that enables streamlined, continuous and targeted monitoring and replaces the human resources action plans. The scorecard forms part of the senior managers' compact and provides:

(a) A stronger focus on the priority areas determined by the General Assembly, such as compliance with geographical and gender targets and the prompt filling of vacancies;

(b) Monitoring the effective and efficient discharge of delegated authority in certain areas in compliance with regulations, rules, policies and procedures in all departments, offices and field operations;

(c) Clear accountability for specific actions within delegated authorities;

(d) Increased self-monitoring by departments, offices and field operations;

(e) Regular data-driven central performance monitoring meetings by senior management of the Office of Human Resources Management and the Field Personnel Division of the Department of Field Support to assess progress, identify issues and agree on actions;

(f) Regular review of scorecard performance of departments, offices and field operations by those responsible within the Office of Human Resources Management and the Field Personnel Division of the Department of Field Support;

(g) A dedicated analytical team to review global as well as entity-by-entity performance data;

(h) A robust and scalable information technology tool fully leveraging the functionalities available through Inspira.

25. The scorecard delivers timely performance information relevant to the monitoring needs of different stakeholders in order to enable greater transparency and improved clarity of expectations. The stakeholders include the Management Performance Board, the Office of Human Resources Management, senior managers and human resources personnel at Headquarters and in the field.

Revision of the Staff Rules and contractual reform

26. The Secretary-General has promulgated a series of Staff Rules, noted by the General Assembly at its sixty-fifth session,[7] which consolidated the three previously applicable series of staff rules (the 100, 200 and 300 series). One single chapter (chap. I) of the Staff Rules now governs basic rights and duties for all staff and sets

[7] Resolution 65/247, para. 74.

the baseline against which staff at all levels are measured both in terms of conduct as well as performance. This consolidation promotes clarity of the rules as well as consistency in assessing shortcomings and greater accountability.

27. In addition, through its resolution 65/247, the General Assembly approved the granting of continuing contracts, which form part of the reform measure to align the previous contract types into three basic modalities.[8] Continuing appointments are based on an assessment of continuing needs of the Organization and do not carry fixed expiration dates. A staff member's impeccable service record is among the basic eligibility criteria for continuing appointment. Specifically, staff must, inter alia, "have received a performance rating of at least 'Meets expectations' or equivalent in the four most recent performance appraisal reports, and must not have been subject to any disciplinary measure during the five years prior to their consideration for the granting of a continuing contract" (resolution 65/247, para. 53 (d)). Staff members who do not meet those eligibility requirements are not offered open-ended appointments with the Organization.

Senior managers' performance and institutional accountability

28. The Secretary-General and his predecessor have signed annual performance compacts with their senior officials, who serve at the level of Under-Secretary-General, since 2006. In 2008 those compacts were extended to senior officials at the Assistant Secretary-General level, who sign them with their respective Under-Secretaries-General. In 2010, in order to address gaps in performance and accountability in the field, the senior managers' compacts were extended to heads of missions.

29. Since coming into office, the Secretary-General has been continuously working to improve effectiveness in the assessment of the performance of senior managers. In 2011, he aligned the structure of the compacts to reflect the main components included in the definition of accountability provided by Member States in resolution 64/259.[1] The compacts now include the following sections: achieving objectives and high-quality results, reflecting both the personal objectives of each senior manager and the institutional objectives contained in the planning and budget documents; responsible stewardship of resources; implementation of the recommendations of oversight bodies; compliance with regulations and rules; and compliance with ethical standards.

30. In addition, in order to further strengthen the alignment of personal and institutional accountability at the highest levels of management, the Management Performance Board is now reviewing the senior managers' compacts, the human resources management scorecards and the programme performance reports simultaneously.

31. The Secretary-General would like to add an additional formal element to the assessment of senior managers' performance: accountability for judgements rendered by the internal justice system. He has asked the Management Performance Board to develop a modality for analysing and reporting on those judgements in the context of senior managers' accountability.

[8] Temporary, fixed-term and continuing: previously, some 15 different contract types under the 100, 200 and 300 series of the Staff Rules were used.

32. In its resolution 64/259, the General Assembly requested the Secretary-General to ensure that the weaknesses identified by the Management Performance Board in terms of senior managers' performance are fully and appropriately addressed. To that end, the Deputy Secretary-General engages each senior manager individually following the annual performance assessment exercise, identifies areas of performance that require improvement and requests an action plan. In addition, managers are asked to submit innovative ideas for achieving standard managerial targets. These ideas are made available to all senior managers. A similar approach is followed with regard to institutional performance reported in the programme performance reports (interim and biennial) in the context of the simultaneous assessment of the institutional and senior managers' performance. In 2012, the Management Performance Board went one step further by inviting selected senior managers to explain in person how they were able to achieve certain goals and why they were unable to achieve others.

33. The Management Performance Board also takes action on systemic challenges noted by a significant number of managers in the self-evaluation component of the annual performance assessment.

VI. Reform of the performance appraisal system

Performance management system: a new policy

34. The Secretary-General has introduced a new policy on performance management, the performance management and development system, which strengthens managerial accountability while ensuring ongoing feedback, motivation and recognition. It provides increased clarity on the roles of stakeholders, including staff members, managers, heads of departments/offices/missions and the Organization as a whole, in order to ensure strengthened links between performance and accountability. It also reinforces the connections between individual workplans and other mechanisms in the accountability framework, including senior managers' compacts, departmental workplans and budget fascicles, to enable managers and staff members to determine how individual workplans contribute to the overall mandates of the Organization.

35. A key feature of this new policy is its comprehensive coverage of all dimensions of performance management and development, not just of appraisals and compliance. A shift in focus from compliance monitoring to advisory support, with an emphasis on career and staff development, underpins the new approach.

36. The policy also includes extensive provision for identifying and addressing performance shortcomings. It clarifies the role of management once performance shortcomings have been identified and prescribes a series of actions for handling such cases, including remedial measures in the form of counselling, transfer to a more suitable function, additional training and/or the institution of a time-bound performance improvement plan. If performance shortcomings are not rectified following such remedial actions, the withholding of a salary increment or the non-extension or termination of a contract may be considered, provided that the above-mentioned remedial actions, including the development of a performance improvement plan, have been initiated. The Secretary-General recently signalled his intention to make more rigorous use of these options, as appropriate.

37. To effectively evaluate the extent to which staff members have achieved the goals set out in their workplans, and the manner in which they have demonstrated United Nations core values and competencies, the Secretary-General introduced a simplified, more clearly defined performance rating scale (from 1 to 4 rather than from 1 to 5).

38. The new performance management policy has also streamlined the rebuttal process, under which only staff members who disagree with an overall rating of "partially meets performance expectations" or "does not meet performance expectations" can rebut their evaluations.

Rewards and recognition

39. A Staff-Management Committee working group is working on a white paper on rewards and recognition, based on the International Civil Service Commission framework and on practices from agencies, funds and programmes. The paper is intended to stimulate debate within the Organization on ways to recognize and reward excellent performance, in accordance with General Assembly resolutions. The Secretary-General will analyse the recommendations issued by the working group and forward them, as appropriate, to the Assembly for further consideration.

Taking corrective action in cases of wrongdoing

40. There are various mechanisms for addressing cases of wrongful or improper managerial decisions. Where such a decision is brought to the attention of senior managers, a determination is made as to whether the nature and gravity of the actions warrant administrative or disciplinary action. If such actions or decisions rise to the level of possible misconduct, the institution of disciplinary procedures under article X of the Staff Regulations and chapter X of the Staff Rules plays an essential role in promoting staff accountability. Staff rule 10.2 provides a range of disciplinary measures, up to and including dismissal.

41. Additionally, staff rule 10.1 (b) provides a mechanism by which a staff member may be required to reimburse the Organization in whole or in part where a wrongful or improper decision is determined to be wilful, reckless or grossly negligent.

42. Details of cases of proven misconduct and/or criminal behaviour are reported annually to the General Assembly, and through the Assembly to all United Nations staff members, in accordance with Assembly resolution 59/287.

43. Finally, as referenced in the previous report of the Secretary-General on an accountability system (A/64/640), where there are credible allegations that a crime may have been committed, a careful evaluation process is completed for each case and appropriate action is taken, including referral to national authorities of Member States for further investigation and/or legal action. Once the Secretary-General has taken a decision to refer a case to national authorities, the Office of Legal Affairs implements the decision accordingly.

Recovery actions

44. In paragraphs 17 and 32 of its resolution 64/259, the General Assembly refers to appropriate measures to strengthen actions to recover funds from those convicted of fraud in the Organization. In recent years, several staff members have been

convicted of fraud by national authorities. The Organization has cooperated with national authorities to facilitate the proper administration of justice in those cases and has successfully obtained recompense, within the framework of its privileges and immunities, in most instances.

VII. Selection and appointment of senior managers

45. The previous report of the Secretary-General on an accountability system (A/64/640) defined the process for the selection and appointment of senior managers, which the Secretary-General believes provides an equitable and open process. Following the exchange of views with the Joint Inspection Unit, the Secretary-General transmitted his comments on the report of the Unit entitled "Transparency in the selection and appointment of senior managers in the United Nations Secretariat" (A/66/380) to the General Assembly (A/66/380/Add.1).

VIII. Enterprise risk management and internal control framework

46. The General Assembly fully recognizes the importance of the implementation of a systematic approach to risk management and internal control in the United Nations. In line with the recommendations of the Joint Inspection Unit on the implementation of enterprise risk management,[9] the Secretary-General has defined an overall policy for enterprise risk management and internal control. It articulates the purpose, governance mechanisms and principles that guide the adoption of the enterprise risk management and internal control framework.

47. This policy benefited from an extensive consultation process, which included several discussions with the Independent Audit Advisory Committee, the oversight bodies, different agencies, funds and programmes of the United Nations system and selected departments of the Secretariat. The enterprise risk management and internal control policy for the Organization (see annex) was approved by the Management Committee on 25 May 2011. A detailed enterprise risk management and internal control methodology, describing the specific steps to be followed in the effective implementation of the framework and the necessary tools, has also been defined.

48. The policy expands and strengthens the approach to risk management already embraced by different parts of the Organization, adopting an integrated enterprise risk management and internal control framework. It provides a consistent and comprehensive risk management methodology that can be applied throughout the entire Secretariat.

49. Consistent with the best international standards, enterprise risk management for the Secretariat is the process of coordinated activities designed to direct and control the Organization with regard to risk, defined as the effect of uncertainty on objectives. An effective system of internal control is an integral part of enterprise risk management. The proper implementation of the policy will not only equip the Organization with best practice risk management tools, but will also define an effective and integrated internal control framework.

[9] See A/65/788.

50. The Secretary-General strongly believes that enterprise risk management and internal control are a core responsibility of management at all levels. The framework is designed to address both the strategic risks associated with the execution of the mandates and objectives as defined by the Charter and the risks inherent in the daily operations that support the achievement of those mandates, including relevant controls.

Risk and internal control governance structure: roles and responsibilities

51. Proper risk governance mechanisms are critical elements for the adoption of an effective risk management and internal control framework. The Secretary-General has designated the Management Committee as the body of the Secretariat responsible for enterprise risk management. The Under-Secretary-General for Management will serve as the high-level official responsible for leading this effort in the Secretariat.

52. Responsibility for the effective implementation of risk management and internal control practices will remain with the respective head of department, office, commission, mission or tribunal. As part of the existing senior managers' compacts, the Under-Secretaries-General (or equivalent position) will annually confirm, through a certification report, their responsibilities for the proper application of the principles and requirements of this framework and the establishment and maintenance of a strong internal control environment resulting from the risk assessment process.

53. Once enterprise risk management is rolled out at the Secretariat, with support and advice from the Management Committee, the Secretary-General will annually review the significant risks faced by the Organization and the proposed strategies designed to effectively mitigate those risks at the consolidated entity level. The Secretary-General will report to the General Assembly and the Independent Audit Advisory Committee on this process.

54. As agreed with OIOS, once the framework has been fully implemented throughout the Organization, OIOS will no longer perform risk assessment exercises, avoiding any overlap or duplication of functions. In accordance with its mandate, OIOS will continue to be responsible for evaluating the effectiveness of the internal control environment, including the Secretariat's risk management process, and will also review the results of the risk assessments as part of its audit planning exercise.

Case studies

55. Following a phased approach, and with the support of OIOS, the Department of Management worked on the implementation of the enterprise risk management policy and methodology in selected departments representing the diverse functional areas of operation of the Organization.

56. Feedback from the senior managers participating in the exercises confirms the benefits of the framework in terms of governance and management practices of the Organization stemming from the implementation of the framework. These include, in particular:

(a) Focus on objectives: increased effectiveness in the achievement of defined objectives and mandates through a consistent identification, assessment and management of risks and the systematic measurement of risk and performance;

(b) Strengthened internal controls: embedded risk and internal control management activities, enabling risk management to become an integral part of the processes and operations of the Organization, and determining the type of risk mitigation or corrective measures necessary to manage identified risks;

(c) Risk aware culture: a more informed risk-based decision-making capability, as the significance of risk and the effectiveness of designed controls are explicitly considered when evaluating programmes and resource allocations, according to an effective results-based management approach;

(d) Informed decisions: increased capability of senior management to make informed decisions regarding risk reward trade-offs related to existing and new programmes through the adoption of a structured approach for the identification of opportunities to enhance the allocation of resources throughout the Organization and reduce related costs.

Case: enterprise risk management in the Office for the Coordination of Humanitarian Affairs

57. The risk assessment carried out at the Office for the Coordination of Humanitarian Affairs resulted in the identification of 24 so-called residual risks, that is, risks that remain after taking into consideration existing internal controls. Those risks were classified into four major categories: strategic, governance, operations and financial. Among the top 10 issues, identified by the Office was the risk of overreliance on extrabudgetary funding. In addition to concerns related to the lack of a predictable funding base, several staff linked this risk to the perception on the part of some Member States that the Office's priorities may be set by a few donor countries, which may influence its perceived impartiality and impact its ability to engage with and influence affected countries or emerging donors. The Office is actively working to address this issue.

58. With regard to the top risks identified, the Office for the Coordination of Humanitarian Affairs is developing corporate-level risk mitigation strategies and detailed risk treatment and response plans as part of its performance frameworks for 2012-2013. Those strategies will outline the main controls that have already been established as well as additional controls planned to further mitigate risks. The Office will also define detailed action plans for implementation, identifying responsible parties and applicable timelines. Periodic status reports (at the mid-year and end-of-cycle) will be prepared until the agreed risk mitigation measures have been fully implemented.

59. The risk register of the Office for the Coordination of Humanitarian Affairs will be periodically re-evaluated and updated as a living document to reflect significant changes in its risk profile and changes in the control environment resulting from reassessment of its risk position. The document will be discussed with the Office's senior management team twice a year in order to ensure senior management's ownership. The risk profile of the Office and the effectiveness of the designed controls will determine the activities and decisions with regard to the

response plan as agreed with senior management and both elements should be considered in setting the funding and resource allocation requests of the Office.

Case: enterprise risk management in the capital master plan

60. The capital master plan has been applying proactive risk management since its inception and has developed a comprehensive risk register used for the daily management of the project. Periodic risk reviews identify and assess the risks that affect its operations. The resulting assessment is used in the regular decision-making process, at both the project-wide and contract levels.

61. For example, the risk assessment identified the contract related to the General Assembly Building and the Conference Building as the greatest risk to the project schedule. This part of the construction also represented significant risks to the project's being completed within budget, as the Conference Building required enhanced security upgrades, which increased the complexity and the scope of the work.

62. As a result of the risk assessment, a value engineering review of the General Assembly Building was undertaken. The risk assessment included a comprehensive evaluation of the condition of the mechanical equipment, which concluded that elements of the ductwork and equipment could be refurbished and reused. The amount of roof and wall plaster replacement was also minimized by using plaster veneer. Such decisions, resulting from the risk assessment exercise, have lowered the risk of delay in the planned construction work within the General Assembly Building, shortened the timeline to completion of the project and significantly reduced costs. The risk register, which includes the identification of specific risk owners, risk mitigation strategies and risk response plans, is periodically reviewed and changes are identified on a quarterly basis.

The way forward

63. If the United Nations is to move towards the full implementation of enterprise risk management, and to reap the benefits underlined in the case studies above, the enterprise risk management and internal control function should be put on a more solid footing. Currently, a limited temporary capacity is set up within the Office of the Under-Secretary-General for Management. This function would need to be converted to a dedicated capacity and provided with the requisite resources to extend its work Secretariat-wide.

64. To quote the Independent Audit Advisory Committee, "given the size and complexity of the Organization, enterprise risk management should be considered one of the highest priorities of the Organization".[10] In addition, under benchmark 4 of the review of enterprise risk management in the United Nations system carried out by the Joint Inspection Unit,[9] it was recommended that an enterprise risk management and internal control capacity assist senior management in the process of establishing a risk management and internal control framework and provide the appropriate level of implementation and execution oversight.

65. This dedicated function, the full responsibilities of which are described in detail in the policy outlined in the annex to the present report, would guide and

[10] A/66/299, para. 26.

support a network of local risk and internal control focal points in every department, office, commission, mission and tribunal. The focal points would assist local management in the implementation of the risk and internal control requirements described in the policy, from within existing resources.

66. The enterprise risk management and internal control capacity will also work on the development of the technology and tools required to support the effective implementation of the framework and, considering the strategic importance of the initiative, on the definition of appropriate training programmes for staff at all levels.

IX. Recommendation

67. **The General Assembly may wish to:**

(a) **Endorse the proposal to establish a dedicated enterprise risk management and internal control function within the Office of the Under-Secretary-General for Management to work on the enhancement of the current capabilities for risk assessment and mitigation and internal control, as requested by the General Assembly in its resolution 64/259;**

(b) **In considering the project as one of the highest priorities of the Organization, the Secretariat may temporarily meet those requirements from within existing resources and subsequently define a proposal for submission to the General Assembly in the context of the 2014-2015 budget.**

X. Concrete measures to prevent potential conflict of interest in the current process governing procurement

68. In its resolution 64/259, the General Assembly requested the Secretary-General to report on "concrete measures to prevent potential conflict of interest in the current process governing procurement, and measures aimed at improving recovery actions". Specific measures in this regard are outlined below.

69. **Ethics and integrity training**: the Procurement Division introduced mandatory ethics and integrity training in May 2007. Customized for procurement staff at the United Nations, the course enhances awareness of, and promotes compliance with, internationally recognized best practices in the field of procurement as well as with ethical standards enshrined in instruments such as the Charter; the Staff Regulations and Rules; the standards of conduct for the international civil service; and the status, basic rights and duties of United Nations staff members (ST/SGB/2002/13), which should be complied with during all phases of the procurement process. Over 1,200 staff members have received this training "face-to-face".

70. Originally offered through workshops, the ethics and integrity in procurement training is now provided through an online procurement training campus, where it is accessible to all United Nations staff involved in procurement-related tasks or who are interested in procurement-related topics. As at 15 June 2011, 523 staff members had enrolled in this training, 428 of these persons have completed a written examination and have received a certificate.

71. The Procurement Division has also introduced a voluntary reporting mechanism that allows staff members involved in the procurement process to alert management and the Ethics Office of any potential conflict of interest arising from any relationship between the staff member or an immediate relative and a vendor.

72. **Whistleblower protection**: the whistleblower protection policy prescribed in the Secretary-General's Bulletin on protection against retaliation (ST/SGB/2005/21) mitigates the risk of conflicts of interest in the procurement process by providing protection to individuals who report misconduct or who cooperate with authorized audits and investigations.

73. **United Nations Supplier Code of Conduct**: conflict of interest: the United Nations Supplier Code of Conduct introduced by the Procurement Division prescribes appropriate ethical conduct for vendors to the Organization. The Code specifically obligates United Nations suppliers to disclose to the Organization any situation that could appear as a conflict of interest and whether any United Nations official or professional under contract with the United Nations has an interest of any kind or any economic ties with the supplier.

74. **Gifts and hospitality**: the Supplier Code of Conduct also imposes a zero-tolerance policy, prohibiting offers of gifts or hospitality by suppliers to United Nations staff, including meals, offers of recreation or holidays. In addition, administrative issuance ST/AI/2010/1, which abolished ST/IC/2006/31, implemented the prohibition contained in staff regulation 1.2 and staff rule 1.2 against the receipt by staff of honours, decorations, favours, gifts or remuneration from governmental and non-governmental sources.

75. **Post-employment restrictions**: pursuant to the Supplier Code of Conduct, former staff members of the United Nations are prohibited from seeking or accepting employment from a United Nations supplier in order to avoid conflicts of interest. Serving staff members are also required to refrain from accepting offers of future employment from any United Nations supplier. Suppliers in violation of this provision are subject to suspension or removal from the United Nations supplier roster.

76. **Financial disclosure requirement**: under a financial disclosure programme, all procurement staff are required to file an annual financial disclosure regarding their own assets and liabilities, as well as those of their spouses and dependent children. Section 2.1 (b) of the Secretary-General's Bulletin on financial disclosure and declaration of interest statements (ST/SGB/2006/6) stipulates that all staff members serving as procurement officers or whose principal occupational duties are the procurement of goods and services for the United Nations are obligated to file a financial disclosure statement annually.

77. **Compliance monitoring**: a compliance and monitoring section within the Procurement Division facilitates the performance of internal reviews to assess compliance and make proposals to strengthen internal controls governing procurement activities, including proposals related to the avoidance of potential conflicts of interest in procurement activities.

78. **Accountability and delegation of authority**: the Secretary-General has consistently reaffirmed his commitment to the strengthening of accountability in the Organization. To that end, the delegation of authority serves as the primary instrument to assign personal accountability in the procurement process. The

effective use and monitoring of the delegation of authority also ensures compliance with the principle of segregation of duties among different occupational groups in the procurement process.

79. **Headquarters Committee on Contracts and local committees on contracts**. the Headquarters Committee on Contracts and the local committees on contracts have been strengthened through the introduction of robust training programmes. The Headquarters Committee has also enhanced its monitoring of the activities of local committees at the offices away from Headquarters.

80. **Award Review Board**. the Award Review Board was established by the United Nations for vendors claiming that they have not been fairly treated during the solicitation process and who, subject to certain eligibility criteria, may request an administrative review of their bids. The new procedure for challenging bid rewards is only open to unsuccessful bidders who have already participated in a debriefing process with the Procurement Division. The procurement administrative review process will reinforce accountability in the procurement process as a whole. More information on the procurement administrative reviews is available on the website of the Procurement Division (http://www.un.org/depts/ptd/debrief_challenges.htm).

81. **Senior Vendor Review Committee at Headquarters**. the Senior Vendor Review Committee was established on a pilot basis to render independent advice to the Under-Secretary-General for Management regarding vendors under investigation or who have been accused, convicted or involved in litigation for alleged fraudulent, corrupt or unethical practices.

XI. Conclusion

82. While, as reported by the Secretary-General, much progress has been made towards the implementation of resolution 64/259, more work yet remains to be done. Implementing an enterprise risk management and internal control framework will improve performance against objectives, contribute to a more efficient use of available resources, strengthen the internal control system of the Secretariat and enhance accountability and performance management at all levels.

83. Member States must be aware that the introduction of a complex, Secretariat-wide initiative such as enterprise risk management requires leadership, as well as the engagement of staff at all levels. On both counts, the Secretariat is committed to implementing actions in order to accomplish that end.

Annex

Enterprise risk management and internal control policy

Glossary of terms and definitions*

Enterprise risk management	The process of coordinated activities designed to direct and control the impact of possible risks on the Organization, including the effect of uncertainty on objectives. It is carried out by the governing bodies, management and other personnel, and applied in strategy-setting throughout the Organization. Internal control is encompassed within and is an integral part of enterprise risk management.
Impact	Result or effect of an event. There may be a range of possible impacts associated with an event. The impact of an event can be positive or negative relative to the entity's related objectives.
Inherent risk	The risk to an entity in the absence of any actions management might take to alter either the likelihood of risk or its impact.
Internal control	A process, effected by the governing bodies, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) Effectiveness and efficiency of operations; (b) Reliability of financial reporting; (c) Compliance with applicable laws and regulations.
Likelihood	The possibility that a given event will occur.
Reasonable assurance	The concept that enterprise risk management, even if well-designed and operated, cannot provide a guarantee regarding the achievement of an entity's objectives owing to the limitations of human judgement, resource constraints and the need to consider the cost of controls in relation to expected benefits, as well as the possibility of management override or collusion.
Residual risk	The remaining risk after management has taken action to alter the likelihood of risk or its impact.

* Consistent with the best international standards, including "Enterprise risk management: integrated framework" and "Thought papers on enterprise risk management", Committee of Sponsoring Organizations of the Treadway Commission (2004, 2009, 2010 and 2011); "Guidelines for internal control standards for the public sector", Internal Control Standards Committee of the International Organization of Supreme Audit Institutions (2004 and 2007); and "Risk management: principles and guidelines", International Organization for Standardization (2009).

Term	Definition
Risk	The effect of uncertainty on objectives
Risk exposure	Magnitude of a risk, measured in terms of the combination of impact and likelihood
Risk register	Central repository of all risks and risk information maintained by the Organization, including the risk category, subcategory, risk definition, rating results, contributing factors and other relevant information pertaining to risk
Risk tolerance	The acceptable variation relative to the achievement of an objective

I. Introduction

1. The United Nations faces a considerable level of risk owing to the complexities of its operations and increased scope of its mandates. Risk management is therefore an area already considered at various levels, and risk management methodologies and practices have already been successfully adopted and implemented in different processes and operations of the United Nations Secretariat, including the capital master plan,[1] information and communications technology,[2] security[3] and organizational resilience.[4]

2. The General Assembly, fully recognizing the importance of the implementation of a systematic approach to risk management and internal control at the United Nations, has provided a clear mandate to the Secretary-General, by its resolutions 63/276 and 64/259, to enhance the current capabilities in the Secretariat responsible for risk assessment and mitigation and internal control on the basis of the enterprise risk management and internal control framework contained in the 2010 report of the Secretary-General on an accountability system in the United Nations Secretariat (A/64/640, annex II).

3. Following the mandates of the General Assembly, and in line with the benchmarks on the implementation of enterprise risk management recommended by the Joint Inspection Unit,[5] this policy further expands and strengthens the approach to risk management already embraced in different areas of the Organization, adopting an integrated enterprise risk management and internal control framework that provides a consistent and comprehensive risk management methodology that can be applied across the entire Secretariat.

4. Given the operational nature of the work of the Organization and the broad range of its activities, the framework allows for a strong operational component and outlines a flexible structure that can easily be adhered to across the spectrum of activities and work environments without resulting in additional administrative overhead for staff members.

5. The Secretary-General strongly believes enterprise risk management is inherently the core responsibility of management. With the adoption of an enterprise risk management and internal control process as a strategic initiative, the Secretariat defines a consistent methodology for assessing, treating, monitoring and communicating risks. The framework is designed to address both the strategic risks associated with the execution of the mandates and objectives as defined by the Charter of the United Nations and the risks inherent in the daily operations that support the achievement of those mandates by defining a flexible methodology that is fully compatible with the different risk management practices already adopted by the Organization, for example, with regard to security risks. Properly implemented, the framework provides insight into potential risks as well as new opportunities, and it will become a key part of the strategy and planning processes.

[1] "Capital master plan risk management framework" (April 2008).

[2] Adoption of ISO 27001, ISO 27002 and the OCTAVE risk assessment methodology by the Information and Communications Technology Board of the Secretariat (April 2008).

[3] "Policies and guidelines on security risk management and minimum operating security standards" (April 2009).

[4] "Organizational resilience policy for United Nations Headquarters, New York" (June 2010).

[5] A/65/788.

II. Definition

6. Consistent with the best international standards[1] enterprise risk management is defined as the process of coordinated activities designed to direct and control the impact of possible risks on the Organization, including the effect of uncertainty on objectives. It is effected by governing bodies, management and other personnel and applied in strategy-setting throughout the Organization.

7. An effective system of internal control is encompassed within and is an integral part of enterprise risk management. As defined by the best international standards, enterprise risk management is broader than internal control, expanding and elaborating on internal control to form a more robust concept and an effective management tool.

III. Purpose

8. The Secretary-General is convinced that the implementation of the framework will introduce significant enhancements in the governance and management practices of the Organization, some of which are outlined below.

(a) **Focus on objectives**: increased effectiveness in the achievement of the defined objectives and mandates through a consistent identification, assessment and management of risks among Secretariat entities, including systematic measurement of risk and performance;

(b) **Internal controls**: embedded risk and internal control management activities, enabling risk management to become an integral part of the processes and operations of the entire Organization and determining the type of risk mitigation or corrective measures necessary to manage identified risks;

(c) **Efficient use of resources**: improved performance against objectives, contributing to reduced waste and fraud, better value for money and a significantly more efficient use of available resources;

(d) **Accountability**: enhanced accountability and performance management through the definition of clear risk-management roles and responsibilities;

(e) **Results-based management**: promotion of a risk-driven culture through a more informed risk-based decision-making capability, as the significance of risks and the effectiveness of designed controls are explicitly considered when evaluating programmes and relevant budget allocations, according to an effective results-based management approach;

(f) **Transparency**: improved transparency within the Organization and with Member States as risks are clearly communicated internally and externally through the formalization of periodic reporting by management to the Independent Audit Advisory Committee and the General Assembly;

[1] "Enterprise risk management: integrated framework" and "Thought papers on enterprise risk management", Committee of Sponsoring Organizations of the Treadway Commission (2004, 2009, 2010 and 2011); "Guidelines for internal control standards for the public sector", Internal Control Standards Committee of the International Organization of Supreme Audit Institutions (2004 and 2007); and "Risk management: principles and guidelines", International Organization for Standardization (2009).

(g) **Assurance**: improved assurance over internal controls through the formal recognition of management's responsibility for effective controls and the appropriate management of risks;

(h) **Oversight**: the ability to enhance governance and oversight functions;

(i) **Governance**: an increased capability of senior management and the governing bodies to make informed decisions regarding risk/reward trade-offs related to existing and new programmes through the adoption of a structured approach for the identification of opportunities to enhance the allocation of resources throughout the Organization and to reduce related costs.

IV. Principles

9. The enterprise risk management and internal control programme is guided by the following core principles:

(a) **Embedding**: risk management must be explicitly embedded in existing processes. Appropriate flexibility needs to be applied in the execution of strategies and the allocation of relevant resources through the proper consideration of the risks that could affect the achievement of the objectives applicable to each project, organizational unit and the Secretariat at entity level;

(b) **Consistency**: the Organization shall adopt, as part of its decision-making process, a consistent method for the identification, assessment, treatment, monitoring and communication of risks associated with its processes and functions in order to efficiently and effectively achieve its objectives;

(c) **Integration**: the enterprise risk management and internal control framework must be fully integrated with the major operational processes as part of strategic planning, operational and financial management. In particular, risk management will be integrated with an effective results-based management approach. Enterprise risk management complements results-based management by enabling the Organization to effectively achieve set objectives with a clear, shared understanding of the internal and external uncertainties that may impact activities. High-priority risks and the effectiveness of related controls will also be fully considered in the evaluation of programmes and relevant budget allocations.

10. The effective implementation of the framework within the Secretariat will also rely on:

(a) **Management ownership**: those responsible for risk and risk management (risk owners) throughout the Organization must have a sound understanding of the risks impacting their operations and the level of flexibility provided in order to appropriately determine the available and appropriate course of action to manage those risks, thus increasing accountability;

(b) **Risk-aware culture**: a risk-focused and results-oriented culture will be nurtured, moving the Organization from the current predominantly risk-averse culture, where the focus is placed on risk avoidance, to a risk-aware culture, where decisions are driven by a systematic assessment of risks and rewards. The dissemination of information and best practices with regard to risk and internal control management principles will be supported across the Organization, including through the development of appropriate communications and training programmes;

(c) **Communication**: all relevant information shall be provided to senior management, the Management Committee, the Secretary-General and the General Assembly. The governing body, with the advice of the Advisory Committee on Administrative and Budgetary Questions and the Independent Audit Advisory Committee, as relevant, will be in a position to effectively fulfil its responsibilities to provide governance and oversight and to take decisions on the acceptance of proposed modifications or enhancements of the internal control system.

Commitments

11. The strong support and commitment of the General Assembly, the Secretary-General and senior management are essential for the establishment of effective risk and internal control management processes. A sustainable framework shall therefore be based on:

(a) **Support**: the endorsement and consistent support of senior management, confirmed by visible actions, is critical for the successful implementation of the framework;

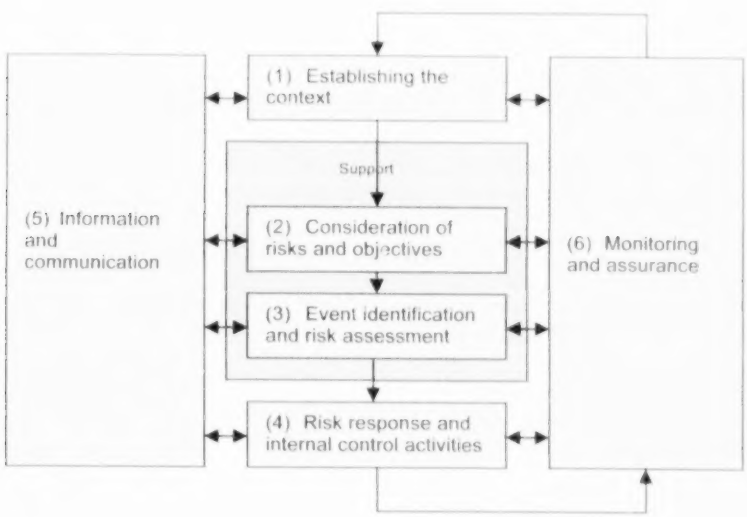
(b) **Accountability**: the adoption of an effective framework relies on the full ownership and accountability of management at each level throughout the Organization for risk management and internal control activities;

(c) **Resources**: risk and internal control management shall be supported by experienced resources at the department, office, commission, mission and tribunal level, as well as at entity level.

V. Process

12. Enterprise risk management is a process owned and executed by management. The main components of the risk management process are illustrated in figure I and further described below. The definition of all the relevant technical terms is included in the glossary of terms and definitions (see above).

Figure I
Enterprise risk management and internal control process


(1) Establishing the context
Support
(2) Consideration of risks and objectives
(3) Event identification and risk assessment
(4) Risk response and internal control activities
(5) Information and communication
(6) Monitoring and assurance

(a) **Establishing the context**: establishing the context encompasses the definition of the Organization's overall risk management approach, as outlined by a dedicated policy articulating the purpose, governance mechanisms and principles that guide the adoption of the framework;

(b) **Consideration of risks and objectives**: risks will be mapped and aligned to objectives, mandates and strategic initiatives both at the Secretariat and at functional levels (departments, offices, commissions, missions and tribunals) in order to measure and prioritize the risk exposure. Specific measurement criteria for risk evaluation will also be defined;

(c) **Event identification and risk assessment**: risks are assessed in the context of the objectives, mandates and strategic plans through risk questionnaires, interviews, workshops with relevant management and staff, analysis of historical data and other sources. Identified risks are then measured and scored according to the weighting of perceived impact, likelihood and level of the effectiveness of internal controls. Once the assessment is completed, the ability to appropriately link risks to both organizational strategies and objectives, and underlying processes and activities, is critical to the identification and implementation of effective risk mitigation measures;

(d) **Risk response and internal control activities**: consistent with the methodology adopted by the Office of Internal Oversight Services,[2] risk assessment will consider existing key controls in addition to inherent risks, resulting in the identification of residual risks. According to best practices, residual risk is the risk remaining after management has taken action to alter the likelihood or impact of risk, and it will therefore be the starting point for determining the appropriate response. An effective system of internal control is an integral part of enterprise risk management;

(e) **Information and communication**: ongoing reporting on results of risk assessments, including risk treatment plans and actions, will be established, supported by adequate information systems. Appropriate communication and training programmes will be developed throughout the Organization in order to nurture the development of a sound risk-aware culture and build adequate capacity and critical skills;

(f) **Monitoring and assurance**: ongoing monitoring of risks and internal controls will also be implemented.

13. A detailed description of the specific steps to be followed in the definition of an effective enterprise risk management and internal control framework, and of the necessary tools required, is provided in the paper, "Enterprise risk management and internal control methodology", which complements this policy.

VI. Risk governance structure: roles and responsibilities

14. Proper risk governance mechanisms are critical for the adoption of an effective risk management framework. Section VI provides a description of the roles and responsibilities of the different functions involved, followed by an illustration of the risk management and internal control governance structure (see figure II).

[2] See A/66/286 (Part I).

General Assembly

15. The General Assembly, with the advice of the Advisory Committee on Administrative and Budgetary Questions and the Independent Audit Advisory Committee, provides risk management oversight, ensuring that senior management adopts and maintains an effective enterprise risk management and internal control framework.

Secretary-General

16. Ultimate responsibility for effective risk and internal control management within the Secretariat resides with the Secretary-General. With the Management Committee, the Secretary-General annually reviews the significant risks faced by the Organization and the proposed strategies designed to effectively mitigate identified risks at the consolidated entity level, and reports on the subject to the General Assembly and the Independent Audit Advisory Committee.

Management Committee

17. The Management Committee, acting as the enterprise risk management committee for the Secretariat, annually reviews the results of the risk assessments at the entity level and has an active role in the promotion of the best practices in risk and internal control management in the Organization, including by involving other committees, as appropriate. The Management Committee will also monitor the effectiveness of the enterprise risk management and internal control framework and recommend any changes that may be required.

Under-Secretaries-General (or equivalent positions)

18. At the level of each department, office, commission, mission or tribunal, responsibility for the effective implementation risk management and internal control practices, as described in the present framework, resides with the respective head of department, office, commission, mission or tribunal.

19. As part of the existing senior management compacts with the Secretary-General, each Under-Secretary-General (or equivalent position) shall annually confirm, through a certification report, their responsibilities for the proper application of the principles and requirements of the framework and the establishment and maintenance of a strong internal control environment as a result of the risk assessment process.

Local risk and internal control focal points

20. The responsibilities of local risk and internal control focal points include the provision of assistance to local management in the implementation of the risk management requirements described in the framework, in particular: the identification of relevant risks, objectives and mandates at the department, office, commission, mission or tribunal level; the completion of the risk assessment and reporting on its results; the proposal of the activities that should be included in the risk treatment and response plan; and the provision of monitoring and reporting to senior management on risk management and internal control measures within their area of responsibility.

21. In addition, local risk and internal control focal points will: customize the Secretariat-wide risk universe so that it reflects the risks relevant to the relevant department, office, commission, mission or tribunal; prepare reports on all risk management matters and distribute them to the enterprise risk management and internal control function, including the responsible Under-Secretary-General or equivalent position; and monitor the effectiveness of risk management and internal control measures.

Risk owners

22. Risk owners are responsible, inter alia, for:

(a) Regularly reviewing the risks owned by them, informing the local risk focal point of any identified changes and bringing urgent attention to risks for which the relevant impact or likelihood is perceived as having increased;

(b) Determining where internal control deficiencies relating to risks for which they are responsible may be identified, proposing appropriate risk mitigation measures and monitoring the implementation of risk treatments relating to such risks;

(c) Updating relevant risk information and contributing to risk reporting, as required.

Risk treatment owners

23. The design and implementation of risk treatment and response plans identified during the risk assessment process, including reviewing their effectiveness, is the responsibility of the risk treatment owners.

Enterprise risk management and internal control function

24. Enterprise risk management is the inherent core responsibility of management. Under the framework, embedded risk and internal control management activities are an integral part of the processes and operations of the entire Organization.

25. As recommended under benchmark 4 in the review of enterprise risk management at the United Nations system carried out in 2010 by the Joint Inspection Unit,[1] an enterprise risk management and internal control function will assist senior management in the process of establishment of the described framework and provide the appropriate level of implementation and execution oversight.

26. The enterprise risk management and internal control function, which, in the short term, will be established within the Office of the Under-Secretary-General for Management, will be moved towards a separate management function led by a senior management official reporting to the highest level of the Organization and the Management Committee, once the function is supported by adequate resources.

27. Without establishing a new high-level full-time official responsible for risk in the Organization, a senior management official, acting in this capacity, shall coordinate all the activities of the enterprise risk management and internal control function. He or she will act independently and objectively in the execution of

[1] A/65/788, paras. 84 and 88.

his/her duties and responsibilities, in line with the benchmarks recommended by the Joint Inspection Unit.[1]

28. The main responsibilities of the enterprise risk management and internal control function shall, inter alia, involve:

(a) Promoting the application of sound risk management and internal control policies, providing oversight for the implementation of related activities within the Secretariat and defining an overall vision and direction for enterprise risk management and internal control measures;

(b) Defining a comprehensive enterprise risk management and internal control framework throughout the Organization in order to identify, assess, manage and monitor risks and internal controls and supporting the Secretary-General and management in their efforts to embed and sustain risk management activities in the daily operations of the Secretariat;

(c) Maintaining the risk register and facilitating the performance of the risk assessments through assistance in interviews, the development and review of questionnaires and the facilitation of workshops, as needed;

(d) Providing the necessary expertise and resources to support the different steps in the risk management process, including assistance and advice in the design, assessment and monitoring of appropriate risk mitigation activities;

(e) Developing and maintaining the methodology and practices related to the implementation of risk and internal control management activities, including the administration of the tools, training, reporting and other related requirements and supporting the local risk and internal control focal points in conducting appropriate risk and control monitoring activities;

(f) Preparing reports on risk management and internal control activities, including a consolidated entity-level risk assessment report for the Secretariat for distribution to the Management Committee, the Secretary-General and, on behalf of the Secretary-General, to the General Assembly and the Independent Audit Advisory Committee, as required;

(g) Assisting in the provision of monitoring and oversight of risk management and internal control activities at the department, office, commission, mission and tribunal level and advising, as appropriate, on the development of adequate risk treatment and response plans;

(h) Implementing and maintaining the necessary systems and data management capabilities to properly support the risk management and internal control programme;

(i) Supporting the dissemination of information and best practices with regard to risk and internal control management principles and measures throughout the Organization and developing, as appropriate, communication and training programmes to enhance the Secretariat's risk management culture;

(j) Assessing the risk of not implementing non-accepted recommendations and advising the Management Committee on possible courses of action.

[1] A/65/788, paras. 91 and 94.

Staff members

29. The management of risks and internal controls in accordance with the principles defined in the framework is the responsibility of all the United Nations managers and staff members. All staff members, in accordance with their specific roles and function, must embed risk management in operational decision-making, identifying, managing and monitoring risks with regard to day-to-day operations within their respective areas of responsibility.

Office of Internal Oversight Services

30. In accordance with its mandate, OIOS shall continue to be responsible for evaluating the effectiveness of the internal control environment, including the periodic assessment and evaluation of the implementation of an effective enterprise risk management and internal control framework.

31. In addition, OIOS is responsible for the review of the results of risk assessment process, and shall consider the outcomes of the process in its audit planning exercise, as appropriate.

Joint Inspection Unit

32. The Joint Inspection Unit, as the oversight body of the United Nations system mandated to conduct system-wide evaluations, shall identify enterprise risk management and internal control best practices, propose benchmarks and facilitate information-sharing throughout the system.

Board of Auditors

33. The Board of Auditors, as part of its assurance activities on the financial reporting of the Organization, is expected to utilize the results of risk assessments as an important element in its evaluation of the Organization's system of internal controls, as described in the Board's mandate.[1]

[1] Financial Regulations and Rules of the United Nations (ST/SGB/2003/7 and Amend.1), article VII.

Figure II

Risk and internal control management governance

[1] High-level official responsible for risk within the Organization.

VII. Conclusions

34. This policy defines the enterprise risk management and internal control programme which is being implemented within the Secretariat to allow the Organization to improve its accountability and decision-making process. The adoption of the policy and the maintenance of an enterprise risk management and internal control process will provide reasonable assurance as to the Organization's ability to effectively achieve its mandates and objectives.

35. The policy, as complemented by the methodology describing the activities to be performed for the effective implementation of the enterprise risk management and internal control framework, will be individually applied to each department, office, commission, mission or tribunal according to the level and context of risk and risk assessment, and will be reviewed for effectiveness on an ongoing basis. It is the responsibility of management to comply with this policy and related procedures.

36. Full implementation of the policy and the methodology will require the establishment of a dedicated centralized capacity for enterprise risk management and internal control within the Secretariat, supported by an adequate level of

resources, as recommended by the Joint Inspection Unit in its review of enterprise risk management at the United Nations system.[5]

37. In the interim, according to a gradual approach to implementation, the policy and the methodology will provide the basis for the application of a comprehensive enterprise risk management process in selected departments of the Secretariat which will take the form of case studies. Such studies will allow the Department of Management to report to Member States on progress in the implementation of resolution 64/259 during the resumed sixty-sixth session of the General Assembly in March 2012.

[5] See A/65/788.

United Nations

A/66/693

General Assembly

Distr.: General
13 February 2012

Original: English

Sixty-sixth session
Agenda items 131 and 146

Financial reports and audited financial statements, and reports of the Board of Auditors

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2011

Report of the Secretary-General

Summary

The present report provides additional information in response to the recommendations of the Board of Auditors contained in its report on the United Nations peacekeeping operations for the period ended 30 June 2011 (A/66/5 (Vol. II)). The report is submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B, in which the Secretary-General was requested to report to the Assembly, at the same time as the Board of Auditors submitted its recommendations to the Assembly, on measures taken or to be taken to implement those recommendations.

The Administration has concurred with most of the Board's recommendations, and many of the comments of the Secretary-General have been duly reflected in the report of the Board. Therefore, in an effort to reduce repetition and to streamline documentation, the present report provides additional comments from the Administration only where required, as well as information on the status of implementation, the office responsible, the estimated completion date and the priority for each recommendation contained in the report of the Board. In addition, the report contains updated information on the status of implementation of the recommendations of the Board relating to prior periods that were reported by the Board as not having been fully implemented (see A/66/5 (Vol. II), annex II).

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A/66/693

I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time as the report of the Board was submitted to the Assembly. The present report is submitted in response to the recommendations of the Board contained in its report on the accounts of the United Nations peacekeeping operations for the 12-month period ended 30 June 2011 (A/66/5 (Vol. II), chap. II).

2. In preparing the report, account was taken of the provisions of the following General Assembly resolutions:

(a) Resolution 52/212 B (in particular paras. 2-5) and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(b) Resolution 65/243 B, in which the Assembly requested the Secretary-General to continue to indicate an expected time frame for the implementation of the recommendations of the Board of Auditors and the priorities for their implementation, including the office holders to be held accountable.

3. With regard to prioritization, the Administration noted that the Board had categorized 17 of the 40 recommendations as main recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, the implementation of the main recommendations will be considered to be the highest priority. The Board has reported the same rate of implementation of recommendations as the previous year (44 per cent). Tables 1 and 2 summarize the status of implementation of newly issued recommendations as at 24 January 2012.

Table 1
Status of implementation of main recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date not set*	*No longer valid*
Department of Field Support and Department of Peacekeeping Operations	10			10	8	2
Department of Field Support and Department of Management	7		1	6	6	
Total	**17**	—	**1**	**16**	**14**	**2**

4. As indicated in table 1, of the 17 main recommendations issued by the Board, implementation is in progress for 16 recommendations, 13 of which are targeted for implementation before the end of 2012, and 1 is due for implementation in March 2013. The two main recommendations for which no target dates have been set pertain to ongoing activities.

Table 2

Status of implementation of all recommendations

Department/Office	Total	Implemented	In progress	Target date	No target date
Department of Field Support and Department of Peacekeeping Operations	29	2	27	27	–
Department of Field Support and Department of Management	10	1	9	9	–
Department of Management	1	–	1	–	1
Total	**40**	**4**	**36**	**28**	**8**

5. As indicated in table 2, of the 40 recommendations issued, implementation is in progress for 36 recommendations, of which 26 are targeted for implementation before the end of 2012, and 2 are due for implementation in March 2013 and June 2014 respectively. The eight recommendations for which no target dates have been set pertain to ongoing activities.

6. The successful implementation of the recommendations of the Board is dependent on how they are formulated. For example, the recommendation in paragraph 78 of the Board's report (A/66/5/Vol. II), chap. II) that "... the Department of Field Support expedite the review and reconciliation process of 'not found yet' assets and minimize the backlog of the reconciliation in a timely manner", is neither specific nor measurable. Thus, as there is no clearly distinguishable action or actions that can be undertaken to implement the recommendation, no target date can be set, and it is unclear as to when the recommendation will be considered as having been implemented. As can be seen from tables 1 and 2, there are eight recommendations for which no target date has been set. The Administration will continue to discuss these recommendations with the Board, with a view to agreeing on the specific measures that need to be taken to ensure full implementation.

II. Specific issues of concern

7. The Secretary-General has noted the specific concerns expressed by the General Assembly in its resolution 65/243 B regarding: (a) the recurrence of problems previously identified by the Board of Auditors in regard to the management of expendable and non-expendable property; (b) the creation of a large amount of unliquidated obligations at the end of the financial year and the increase in the cancellation of unliquidated obligations over the previous financial year; (c) the need to strengthen administrative and institutional measures to address the root causes of recurring issues; and (d) the accountability of managers for the implementation of the Board's recommendations. The current status of action on these items is summarized below.

Expendable and non-expendable property

8. The Secretary-General is pleased that the Board has taken note of the improvements that continued to be made in the 2010-11 financial period in the area of expendable and non-expendable properties compared to the previous financial period.

9. Responsibility for property management is assigned in the Financial Regulations and Rules of the United Nations to the Under-Secretary-General for Management. Authority and responsibility has, in turn, been delegated to the Assistant Secretary-General for Central Support Services who, in the case of peacekeeping missions, has further delegated authority and responsibility to the Under-Secretary-General for Field Support. The Assistant Secretary-General for Central Support Services has been coordinating and monitoring actions taken to address the concerns raised by the Board through a series of working groups that also take into account the need for future compliance with the International Public Sector Accounting Standards (IPSAS). The Department of Field Support has continued to vigorously address the specific problems highlighted in previous audits. It has issued guidance to field missions and identified measures to ensure maximum physical verification coverage of expendable and non-expendable property by the end of the 2011-12 financial year and to improve the accuracy of inventory and data reliability.

Unliquidated obligations

10. The Board noted that the significant reduction in the number of invalid obligations during the period under review was an improvement resulting from constant reminders sent to the missions and a robust review of unliquidated obligations at both the mission and Headquarters levels.

Root causes of recurring recommendations

11. The root causes of most of the recurring audit recommendations, particularly those that highlight delays or non-compliance, include: high vacancy levels, obsolete systems, transition to new accounting standards, transition to new processes and procedures, interpretation of procedures and guidelines, and training issues. While immediate measures can be taken to ameliorate problems in some of these areas, the root causes can be fully addressed only through the introduction of suitable measures implemented over a longer period, such as stronger efforts to accelerate recruitment processes while complying with mandates given by Member States, in the case of high vacancy rates, or the replacement of current information technology systems with the new enterprise resource planning system, Umoja, in the case of the other matters highlighted in the Board's recommendations.

12. Further details of the measures being taken to address each of the reiterated and outstanding recommendations from previous periods are contained in section IV below.

Accountability of managers

13. As can be seen in sections III and IV below, recommendations are assigned to the heads of department responsible for their implementation. In addition, priorities and time frames have been identified, and managers are required to explain, in the context of the present report, the actions being taken to implement the recommendations as well as the reasons for any delays. The Management Committee also follows up on outstanding recommendations. To support this follow-up, a review is undertaken of the explanations given, and, where necessary, programme managers are requested to expedite implementation and/or make adjustments to measures being taken.

III. Implementation of the recommendations contained in the report of the Board of Auditors

14. The information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors for the financial period ended 30 June 2011 is set out below. As indicated in the summary, most of the Administration's comments have already been included in the Board's report; thus, additional comments are provided only where the Board has not reflected the Administration's comments.

A. Financial overview and management

Unliquidated obligations

15. **In paragraph 20, the Board reiterated its previous recommendation that the Department of Field Support require missions to comply with the Financial Regulations and Rules of the United Nations with respect to the criteria for the creation of obligations.**

16. The improvement in the creation and retention of obligations noted by the Board of Auditors in paragraph 16 of its report is a result of constant reminders sent to the missions and a robust review of unliquidated obligations at both the mission and Headquarters levels. Additional comments by the Administration on the recommendation are reflected in paragraph 21 of the Board's report.

Departments responsible	Department of Field Support and Department of Management
Status	In progress
Priority	High
Target date	Third quarter of 2012

17. **In paragraph 22, the Board recommended that the Department of Field Support ensure that the African Union-United Nations Hybrid Operation in Darfur (UNAMID) makes the appropriate entries at the beginning of the new accounting period to adjust for the invalid obligations identified by the Board.**

18. UNAMID has made the necessary accounting entries as recommended by the Board.

Departments responsible	Department of Field Support and Department of Management
Status	Implemented
Priority	High
Target date	Not applicable

Disclosure of the non-expendable properties of the United Nations Mission in the Central African Republic and Chad

19. **In paragraph 27, the Board recommended that the Administration: (a) expedite the orderly completion of the disposal process of non-expendable property at the United Nations Mission in the Central African Republic and Chad (MINURCAT); and (b) disclose the accurate final status of those assets in the financial statements once the disposal is complete, including, but not limited**

to, the value and number of assets transferred to other missions or other United Nations bodies, pending write off and disposal.

20. Regarding the first part of the recommendation, the Logistics Support Division in the Department of Field Support is overseeing the orderly disposition of all the remaining MINURCAT assets, with the assistance of the United Nations Logistics Base at Brindisi, Italy (UNLB).

21. The comments of the Administration relating to the second part of the recommendation are reflected in paragraph 26 of the Board's report.

Responsible organizations	Department of Field Support and Department of Management
Status	In progress
Priority	Medium
Target date	Third quarter of 2012

B. Budget formulation and management

Inconsistency of budget assumptions and miscalculation of cost estimates

22. **In paragraph 41, the Board recommended that the Administration require field missions to: (a) maintain complete and accurate historical records for various activities and take these records into account when preparing the future years' budgets; (b) apply an appropriate computation method when calculating the resource requirements to better reflect the reality on the ground; and (c) use delayed deployment factors consistently and accurately in various categories of the contingent-owned equipment self-sustainment budget.**

23. The Administration's comments are reflected in paragraphs 43 and 44 of the Board's report. The Department of Field Support has already started the process of conducting more stringent and consistent budget submission reviews, especially with regard to contingent-owned equipment self-sustainment.

24. The Department of Management is implementing this recommendation in the context of the review and preparation of the 2012-13 budget reports. The Board's recommendation will also be reflected in the budget instructions for 2013-14. With respect to the recommendation to accurately apply the delayed deployment factor in various contingent-owned equipment self-sustainment categories, the Department reiterates its comment that the actual experience in individual missions may call for the application of different sets of delayed deployment factors to bring cost estimates in line with past expenditure trends.

25. The proposed delayed deployment factor and vacancy rates are carefully scrutinized and extensive consultations are held in order to arrive at projections reflected in the proposed budgets that are as realistic as possible. Actual implementation of the budget is affected by a number of factors, including Security Council decisions and factors beyond the control of the missions. The variances between the approved budget and its actual execution are reported to the General Assembly in the context of mission performance reports and taken into account in the preparation of subsequent budgets.

Departments responsible: Department of Field Support and Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2012

26. **In paragraph 42, the Board recommended that field missions and Headquarters implement more stringent reviews of the budget submissions to ensure that they are applied in a consistent, accurate and appropriate manner.**

27. Reference is made to the Administration's comments in paragraph 25 above. In addition, the [illegible] implementation is being implemented in the context of the review and preparation [illegible] 2012-13 budget reports.

Departments responsible: Department of Field Support and Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2012

Budget redeployments

28. **In paragraph 48, the Board recommended that the Administration require field missions to strictly adhere to the Controller's requirement that they seek prior approval for redeployments prior to incurring expenditures.**

29. The Administration agreed with the Board and accepted its recommendation as a shared responsibility to be implemented by both the Department of Management and the Department of Field Support. The Department of Management will re-emphasize to the missions the importance of strict adherence to the requirements indicated in the Controller's memorandum dated 28 June 2002, namely to submit information on within-group redeployments on a monthly basis to the Peacekeeping Financing Division and not to incur expenditures without sufficient funding.

Departments responsible: Department of Field Support and Department of Management
Status: In progress
Priority: High
Target date: First quarter of 2012

30. **In paragraph 49, the Board recommended that the Administration enhance the existing monitoring and review of budgetary redeployments to ensure that they are fully justified as they arise and before expenditures are incurred.**

31. The Administration will revisit its existing monitoring and review mechanisms with respect to budgetary redeployments.

Departments responsible: Department of Field Support and Department of Management
Status: In progress
Priority: High
Target date: Second quarter of 2012

Budget framework

32. **In paragraph 54, the Board recommended that the Administration: (a) continue to communicate with the Umoja team to ensure that the requirement** for improvement of linkages between results-based-budgeting frameworks and resource requirements **is duly considered during the budget formulation module design-and-build phase; and (b) identify how both existing systems and Umoja can be used to develop and implement cost-accounting principles more widely.**

33. The Administration is considering ways of implementing costs accounting principles in the context of the new system, Umoja.

Department responsible	Department of Management
Status	In progress
Priority	Medium
Target date	Ongoing

C. Assets management

Insufficient declaration of surplus assets

34. **In paragraph 69, the Board recommended that the Department of Field Support: (a) closely monitor never-used assets and regularly issue/disseminate periodical reports to missions on availability of unused assets; and (b) coordinate with the Procurement Division to periodically review and monitor the implementation of the acquisition plans and enforce their use as a tool to facilitate effective and efficient procurement management.**

35. The Administration's comments on part (a) of the recommendation are reflected in paragraphs 62, 64 and 66 of the Board's report. In addition, the Department of Field Support issued the directive on property management for the 2011-12 financial year wherein missions were requested, inter alia, to utilize the established key performance indicators to assess equipment utilization efficiency ratios, identify slow-moving items and ageing stock, declare surplus for redistribution and or initiate write-off for obsolete equipment.

36. Part (b) of the recommendation is addressed in the Secretary-General's bulletin on the organization of the Department of Field Support (ST/SGB/2010/2). In accordance with the bulletin, one of the core functions of the Specialist Support Service of the Logistics Support Division is to provide support to the acquisition process for the field operations and Headquarters, including advanced acquisition planning, technical assistance to the procurement process and contract execution. In this regard, the Department of Field Support reviews, analyses and monitors the acquisition plans of missions and transmits them to the Procurement Division of the Office of Central Support Services of the Department of Management for analysis and consolidation with other procurement requirements of the Organization.

37. The Procurement Division continues to meet with its clients and provide necessary guidance throughout the acquisition planning process in order to facilitate an effective procurement process. It should be emphasized that, in accordance with the principle of segregation of duties, the acquisition planning function is segregated

from the commercial operational procurement function in the Secretariat. Thus, acquisition planning remains the responsibility of the requisitioning offices.

Department responsible	Department of Field Support and Department of Management
Status	In progress
Priority	High
Target date	Third quarter of 2012

38. **In paragraph 70, the Board recommended that the Department of Field Support implement procedures for missions to: (a) identify and report unused assets to Headquarters in a timely manner; (b) take in-stock assets into consideration when drawing up procurement plans; and (c) declare surplus assets in a timely manner or initiate prompt disposal and or write-off action of assets which are confirmed unusable.**

39. The Administration's comments on the recommendation are reflected in paragraph 71 of the Board's report. In addition, the directive on property management for the 2011-12 financial year requires missions to implement an asset life cycle view of property management to address the entire equipment life cycle. This requires, inter alia, comprehensive evaluation of procurement lead-times, demand forecasting, regular review of acquisition plans, minimum-maximum stock control procedures that lead to optimization of inventory levels and the overall improvement of mission asset management.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Third quarter of 2012

Insufficient coverage of the physical count of expendable property

40. **In paragraph 73, the Board recommended the Department of Field Support require missions to conduct a physical count of expendable property periodically and enhance the coverage of the physical count to obtain the assurance of the accuracy of the data recorded in the Galileo system.**

41. The Administration's comments on the recommendation are reflected in paragraph 74 of the Board's report. In addition, the Department of Field Support has issued guidance to field missions and identified measures to ensure maximum physical verification coverage of expendable property by the end of the 2011-12 financial year and to improve accuracy of inventory and data reliability.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Third quarter of 2012

Delayed reconciliation of discrepancies in "not found yet" assets

42. **In paragraph 78, the Board recommended that the Department of Field Support expedite the review and reconciliation process of "not found yet" assets and minimize the backlog of the reconciliation in a timely manner.**

43. The Administration's comments on the recommendation are reflected in paragraph 79 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Ongoing

Assets under the name of users who have been repatriated

44. **In paragraph 82, the Board recommended that the Department of Field Support require all missions to: (a) establish enhanced communication with military contingents to obtain up-to-date information on United Nations-owned equipment; and (b) carry out the required asset check-out procedures for all United Nations staff who are being repatriated.**

45. The Administration's comments on the recommendation are reflected in paragraph 83 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

Deficiencies in write-off and disposal of expendable property and non-expendable property

46. **In paragraph 86, the Board reiterated its previous recommendation that the Department of Field Support strengthen the monitoring of the write-off and disposal of assets at missions to ensure that appropriate measures are taken to expedite all pending write-off or disposal cases.**

47. The Department of Field Support assigns high priority to strengthening the monitoring of the write-off and disposal process. Within the established oversight and performance measurement framework for property management, the Department continues to review the achievements of missions, conducts performance analyses of write-off and disposal processes throughout the reporting period, and follows up on underperforming missions. The revised delegation of authority for property management was fully implemented, resulting in a streamlined write-off process where local property survey board review was eliminated for routine, low-risk disposal cases. This made it possible to reduce the systematic backlogs in the write-off and disposal process.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Ongoing

48. **In paragraph 87, the Board recommended that the Administration: (a) ascertain the causes of the delays with a view to streamlining the process; and (b) ensure that missions strictly comply with the approval procedure for write-off and disposal.**

49. The directive on property management issued by the Department of Field Support for the 2011/12 financial year provides further guidance to the field

missions to fully leverage the provisions of the revised delegation of authority for expediting the write-off process. Missions are advised to timely initiate write-off requests and hold local property survey board meetings regularly to avoid write-off backlog. With regard to recommendations on disposal actions, especially where conditions for disposal by commercial sale are not favourable, alternative disposal methods should be considered based on a cost-benefit analysis.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Ongoing

Deficiencies in key performance indicators for stock control of expendable property and non-expendable property

50. **In paragraph 91, the Board recommended that the Department of Field Support make the key performance indicators more practical and complete by taking into consideration the variance in non-expendable property stock ratios and adding a performance indicator to reflect stock control on expendable properties.**

51. The Administration's comments are adequately reflected in paragraphs 92 and 93 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Third quarter of 2012

D. Procurement and contract management

Construction of accommodation at the African Union-United Nations Hybrid Operation in Darfur

52. **In paragraph 101, the Board recommended that the Department of Field Support: (a) enhance the involvement of United Nations Headquarters in the oversight of the procurement and contract management in the UNAMID construction project; (b) establish from the outset a clear governance framework for all large-scale construction projects, identifying the risks to contract administration and construction project management, and implementing controls to mitigate the risks and manage changes to the contract and scope of work.**

53. The Administration's comments on the recommendation are reflected in paragraph 100 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Fourth quarter of 2012

Inadequate consideration of strategic deployment stocks before requisition

54. **In paragraph 104, the Administration agreed with the Board's recommendation that the Department of Field Support should require missions**

and UNLB to comply strictly with its directive on using existing strategic deployment stock holdings wherever possible.

55. The Administration's comments on the recommendation are reflected in paragraph 105 of the Board's report.

Department responsible:	Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Vendor performance evaluation

56. **In paragraph 108, the Board recommended that the Department of Field Support require the United Nations Integrated Mission in Timor-Leste (UNMIT) to establish standard operating procedures to ensure consistent criteria to be applied in the vendors' performance evaluation.**

57. The Administration's comments on this recommendation are reflected in paragraph 110 of the Board's report.

Department responsible:	Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2012

58. **In paragraph 109, the Board recommended that the Department of Field Support systematically strengthen the procedures applied by missions in the management of vendors' performance at the missions.**

59. The Department of Field Support is in the process of promulgating its contract management policy, which will provide guidance to missions in addition to the guidance contained in the Procurement Manual.

Department responsible:	Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2012

Deficiencies in contract awards

60. **In paragraph 114, the Board recommended that the Administration systematically strengthen the mechanisms in place to monitor the splitting of awards, ex post facto cases and awards made on an exigency basis, and to ensure that they comply with the Procurement Manual.**

61. The Administration's comments on this recommendation are reflected in paragraph 116 of the Board's report.

Department responsible:	Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2012

62. **In paragraph 115, the Board recommended that the Department of Field Support ensure that the United Nations Support Office for the African Union**

Mission in Somalia (UNSOA) fully complies with the delegated procurement authority according to the Procurement Manual and the Financial Regulations and Rules of the United Nations.

63. The Administration's comments on this recommendation are reflected in paragraph 116 of the Board's report.

Department responsible:	Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2012

E. Human resources management

Vacancy and post management

64. **In paragraph 122, the Board recommended that the Department of Field Support carry out a comprehensive review and develop suitable criteria on the long-vacant posts to identify whether those posts are eligible for further abolition and nationalization, and require missions to conduct periodical review for compliance.**

65. The Department of Field Support reiterates that the criteria for abolition and nationalization of posts were developed specifically to identify the potential scope for absorbing the $83 million cost of the human resources reforms, and that the criteria should not be applied across the board. Furthermore, the Department notes that the Board's analysis of the need for further abolition/nationalization of the 61 posts allegedly eligible for further reduction does not take into account the substantive aspect of the posts, but merely the length of non-encumbrance which, as a stand-alone factor, is not sufficient for nationalization or abolition of posts. The Department plans to undertake a more comprehensive review that will look into substantive opportunities for nationalization to reduce costs and strengthen national capacity.

Department responsible:	Department of Field Support
Status:	In progress
Priority:	High
Target date:	Third quarter of 2012

Roster-based recruitment

66. **In paragraph 128, the Board recommended that the Department of Field Support: (a) require missions to fully justify and document the non-use of the recruitment roster; and (b) take measures to keep the roster database up to date.**

67. The Administration's comments on the recommendation are reflected in paragraph 129 of the Board's report.

Department responsible:	Department of Field Support
Status:	In progress
Priority:	High
Target date:	First quarter of 2013

Recruitment of national staff and consultants

68. **In paragraph 134, the Board recommended that the Department of Field Support enhance the selection and management of consultants/individual contractors by strictly complying with related requirement policies to make the whole process more competitive, transparent and well-documented.**

69. The United Nations peacekeeping mission in question, UNMIL, now keeps full records on its selection and recruitment processes. Complete records on all candidates for recruitment as national staff and consultants/individual contractors, including written test results, interviews and contract records, are maintained in each recruitment file.

Department responsible	Department of Field Support
Status	Implemented
Priority	Medium
Target date	Not applicable

I. The implementation of International Public Sector Accounting Standards

International Public Sector Accounting Standards implementation team

70. **In paragraph 145, the Board recommended that the Department of Field Support: (a) require all missions to establish their own IPSAS implementation teams with clear terms of reference; and (b) take proactive actions to identify the specific needs of peacekeeping operations and work closely with the United Nations implementation team to expedite the preparations for the implementation of IPSAS; and (c) ensure that the IPSAS implementation support teams have dedicated staff and adequate expertise within the IPSAS budget.**

71. The Administration's comments on the recommendation are reflected in paragraph 146 of the Board's report. As confirmed by the Board in paragraph 142 of its report, the recruitment of an IPSAS expert is in progress. The Administration anticipates that the process will be completed by the end of the first quarter of 2012.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	First quarter of 2012

Detailed implementation plan and action plan for field missions

72. **In paragraph 150, the Board recommended that the Administration ensure that the United Nations IPSAS implementation team, the Department of Field Support and the missions work closely to develop detailed implementation plans as well as action plans for all missions to ensure the implementation of IPSAS in peacekeeping operations.**

73. The Administration's comments on this recommendation are reflected in paragraph 151 of the Board's report. The Administration accepted this recommendation while noting that activities towards the development of detailed plans were already part of the current workplan and were progressing as scheduled.

Departments responsible	Department of Field Support and Department of Management
Status	In progress
Priority	Medium
Target date	First quarter of 2012

Transitional provision under IPSAS

74. **In paragraph 155, the Board recommended that the Administration, in collaboration with the Department of Field Support, expedite the preparation for confirming the value of plant, property and equipment and expendable property to avoid the transitional provision being invoked, including the decision on the approach to obtain the value of expendable property.**

75. The Administration's comments on the recommendation are reflected in paragraph 156 of the Board's report.

Departments responsible	Department of Field Support and Department of Management
Status	In progress
Priority	Medium
Target date	Second quarter of 2014

G. Mission exit and liquidation

Exit strategy and risk assessment

76. **In paragraph 161, the Board recommended that the Administration establish from the outset a generic risk assessment and mitigation plan for mission exit and liquidation, as well as possible mitigating strategies, which could be embedded in the liquidation plan to enable missions facing rapid closure to quickly develop and implement an effective risk management strategy.**

77. The liquidation manual has been revised and it is now a requirement that all liquidation plans include a risk assessment process that leads to the formulation of risk mitigation strategies. The risk assessment forms part of the process that enables the mission to identify areas that may affect the liquidation plan, and provides for alternative plans or strategies that can be put in place if needed.

Departments responsible	Department of Field Support and Department of Peacekeeping Operations
Status	Implemented
Priority	Medium
Target date	Not applicable

Managing staff separation

78. **In paragraph 170, the Board recommended that the Department of Field Support require missions to develop plans to manage potential separation of locally engaged staff well in advance in order to avoid any unnecessary payments for ending contracts.**

79. The MINURCAT drawdown plan was based on lessons learned from previous drawdown exercises, taking into consideration all information available at the time

of planning. As the plan unfolded, different circumstances required immediate changes on the ground. For example, support from experienced staff at various levels from other missions and Headquarters was sought on an urgent basis when a need became apparent. The Department will continue to apply the lessons learned from liquidated missions in future closures.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Ongoing

Realization of United Nations assets: classification of assets

80. **In paragraph 176, the Board recommended that, in future, the Department of Field Support require missions in liquidation to maintain full documentation in order to demonstrate how good value for money is achieved in the disposal or transfer of each asset or group of assets.**

81. The Administration's comments on the recommendation are reflected in paragraph 177 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Ongoing

Lessons learned

82. **In paragraph 181, the Board recommended that the Department of Field Support: (a) initiate a comprehensive lessons learned exercise based on the specific experiences of closing MINURCAT and the United Nations Mission in the Sudan (UNMIS); and (b) require all active missions and future missions soon after their inception to develop outline exit strategies and liquidation plans.**

83. The Administration's comments on the recommendation are reflected in paragraph 182 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Fourth quarter of 2012

II. Restructuring of the Department of Peacekeeping Operations

Insufficient benefit realization management

84. **In paragraph 196, the Board recommended that the Administration draw lessons learned from the peacekeeping restructuring to inform future business transformation and change management, including the need for a clear benefit realization plan, and appropriate indicators and benchmarks/baselines to enable close monitoring of their realization.**

85. The Administration accepts the general need to learn lessons from any restructuring effort. The merit of establishing key performance indicators as

benchmarks/baselines to measure performance and the impact of measures (such as restructuring or business process improvements) on performance improvement is clearly accepted and understood. The Administration questions, however, the emphasis on the use of one particular model to measure the achievement of the goals and impact, and asserts again that the post facto application of this particular theoretical model fails to take into account the application of all tools at the disposal of the Secretariat and the conduct of the restructuring of the Department of Peacekeeping Operations and the Department of Field Support as an iterative process, guided by Member States and conducted in the context of significant changes in United Nations peacekeeping. The Administration further believes that it would not be prudent to extract static or template action plans to be applied to the restructuring of other Secretariat entities. The repeatedly reiterated prerogatives of the General Assembly and its wish to continually assess the effort to enhance the capacity of the Organization to manage and sustain peacekeeping operations must be viewed in the context of the requirement for the Secretariat to continually adapt to meet the evolving requirements of United Nations peacekeeping mandates.

Departments responsible	Department of Field Support and Department of Peacekeeping Operations
Status	In progress
Priority	High
Target date	Ongoing

I. Global field support strategy

Lack of a five-year plan for each pillar under the global field support strategy

86. **In paragraph 203, the Board recommended that the Administration: (a) develop a comprehensive plan which elaborates in greater detail under the four pillars the main goals, key activities, milestones, benchmarks baselines and the way to implement the global field support strategy and to achieve the benefits; and (b) incorporate the enhanced detail in the Secretary-General's annual progress report for review by the General Assembly.**

87. The Administration's comments on the recommendation are reflected in paragraph 204 of the Board's report.

Departments responsible	Department of Field Support and Department of Peacekeeping Operations
Status	In progress
Priority	High
Target date	Fourth quarter of 2012

Inadequate evaluation method to measure the qualitative benefits of the global field support strategy

88. **In paragraph 208, the Board recommended that the Department of Field Support establish key performance indicators and related benchmarks for all four pillars of the global field support strategy and a system to monitor and report on their achievement.**

89. The Administration's comments on the recommendation are reflected in paragraph 209 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Fourth quarter of 2012

Incomplete consideration of the costs in the cost-benefit analysis

90. **In paragraph 213, the Board recommended that the Administration fully consider the related start-up and operational costs for the Regional Service Centre in its cost-benefit analyses to ensure a more prudent estimate of the likely benefits.**

91. Start-up costs and operational costs are part of the methodology devised for cost-benefit analysis. The full details of the methodology are reflected in the supplementary information presented to the General Assembly at its resumed sixty-fifth session on 13 May 2011. The information was provided when the General Assembly deliberated on the report of the Secretary-General on progress in the implementation of the global field support strategy (A/65/643). The Department of Field Support will ensure full compliance with the methodology.

Departments responsible	Department of Field Support and Department of Peacekeeping Operations
Status	In progress
Priority	Medium
Target date	Ongoing

J. Vehicle fleet management

Vehicle entitlement

92. **In paragraph 216, given the recurring nature of the deficiencies in vehicle entitlements, the Board recommended that the Department of Field Support carry out a thorough review of mission vehicle entitlement to identify the scope for savings.**

93. The Department of Field Support wishes to clarify that the proposed budgets for ground transportation for missions for the 2010-11 financial period were prepared in accordance with the established procedures at the time, which required that missions base their vehicle establishment on the authorized staffing level, in order to ensure the timely availability of light passenger vehicles as soon as posts were filled in the field. Vehicles not in use were kept as part of the authorized reserves for emergencies and/or contingencies. Notwithstanding, the Department has requested the missions to take the delayed deployment-recruitment factor into account in the preparation of their proposed budgets for ground transportation for the 2012-13 financial period.

94. UNSOA operates under unique circumstances since most of its civilian capacity is based in Nairobi and Mombasa, Kenya, rather than Mogadishu. Regarding vehicles allocated to consultants in Mogadishu, the Office has engaged 11 consultants to work with the African Union Mission in Somalia (AMISOM) in Mogadishu on establishing effective and efficient logistic support processes and to ensure that AMISOM optimally utilizes the United Nations support package delivered by UNSOA. All contractors have their own vehicles, as stated in their

respective contracts. In addition, UNSOA has temporarily loaned six armoured vehicles to contractors to carry out activities at certain extremely dangerous locations around the airfield camp. As the airport site becomes more secure, the UNSOA armoured vehicles will be recovered from the contractors. Once staff members are permanently assigned to Mogadishu, the consultants will be withdrawn and these vehicles will be allocated to the staff members.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Third quarter of 2012

Vehicle utilization

95. **In paragraph 220, the Board recommended that the Department of Field Support: (a) carry out a comprehensive review of vehicle entitlement and utilization across missions to identify the weaknesses and amend the policies on vehicle entitlement and utilization as necessary; and (b) conduct in-year monitoring on vehicle entitlement and utilization practices in field missions on a regular basis.**

96. The United Nations Interim Force in Lebanon (UNIFIL) introduced two additional shuttle buses for group transportation between Tyre and Naqoura, thereby improving the occupancy rate and reducing the number of commuter vehicles. In December 2011, UNIFIL received approval from the local authorities to initiate the construction of a car park in Tyre. Engineering works have commenced and the car park is estimated to be completed by the end of June 2012. This would facilitate the establishment of additional shuttle services between Tyre and Naqoura, with a view to further enhancing vehicle utilization efficiency.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Third quarter of 2012

97. **In paragraph 221, the Board recommended that the Department of Field Support require missions to strengthen monitoring of liberty usage by periodically reviewing the utilization of vehicles based on the data from the Carlog system and recovering the cost of liberty usage if needed.**

98. The United Nations Mission in Liberia (UNMIL) advised that a clear administrative instruction and policy on the use of the Mission's vehicles for liberty purposes is under review for final approval.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

K. Other issues

Continued maintenance of the Santo Domingo office of the United Nations Stabilization Mission in Haiti

100. **In paragraph 228, the Board recommended that the Department of Field Support ensure that the United Nations Stabilization Mission in Haiti (MINUSTAH) develops a strategic review on the establishment and function of the Santo Domingo Liaison and Support Centre, following the earthquake relief efforts, and present a strategic plan to the governing body for approval in order to ensure optimal support of the Mission's objectives.**

101. The Administration's comments on this recommendation are reflected in paragraph 229 of the Board's report.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Third quarter of 2012

IV. Implementation of the recommendations contained in the report of the Board of Auditors concerning United Nations peacekeeping operations for prior financial periods

102. In paragraph 13 of its resolution 64/268, the General Assembly requested the Secretary-General to provide, in future reports on the implementation of the recommendations of the Board of Auditors concerning the United Nations peacekeeping operations, a full explanation for delays in implementation of all outstanding recommendations of the Board.

103. In annex II to its report for the period ended 30 June 2011 (A/66/5 (Vol. II), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 29 recommendations listed in annex II as outstanding from prior periods, 18 of which are shown as "new recommendations in 2009-10" and 11 as "prior years recommendations not complied with". The information is set out in the order in which the recommendations were presented in the report of the Board of Auditors for the period ended 30 June 2010 (A/65/5 (Vol. II)). A total of 59 recommendations were made in that report, of which 23 were implemented by the Administration and 7 were withdrawn by the Board. The 7 withdrawn recommendations had previously been addressed to the Office of Internal Oversight Services (OIOS).

104. Table 3 provides a more detailed analysis of the responsible departments, including target dates for the 29 recommendations that were assessed by the Board to be in progress.

Table 3

Status of implementation of outstanding previous recommendations as at 24 January 2012

Reference	Year	Priority	Implemented	In progress	Not implemented	Overtaken by events
Department of Field Support and Department of Peacekeeping Operations	11	1	0	11	11	0
Department of Field Support and Department of Management	2	0	0	2	2	0
Total	29	1	11	17	14	3

161. It should be noted that, of the 29 recommendations in progress according to annex II to the Board's report (A/66/5 (Vol. II), chap. III), 11 recommendations were subsequently implemented as at 24 January 2012. Of the 17 recommendations that remain in progress, 13 are targeted for implementation before the end of 2012 and 1 before the end of June 2013. Of the three recommendations without a target date, two are ongoing and the full implementation of the remaining one is dependent on factors that are beyond the control of the Administration.

Long-outstanding accounts receivable balances

105. **In paragraph 38 of its report to the General Assembly at its sixty-fifth session, the Board recommended that the Department of Management and the Department of Field Support: (a) require MONUSCO, UNMIL and the United Nations Disengagement Observer Force (UNDOF) to intensify their efforts to recover all long-outstanding accounts receivable balances; and (b) assess the recoverability of long-outstanding balances and make the necessary adjusting entries to the accounts.**

106. UNMIL and MONUSCO routinely generate an ageing analysis of accounts receivables in order to monitor and take appropriate action on long-outstanding balances. As a result, the long-outstanding receivables in MONUSCO of more than two years have been reduced by 31 per cent to $578,583. Forty-five per cent ($258,036) of the long-outstanding balance is owed by the World Food Programme (WFP). Although WFP made a firm commitment to settle this amount following the Controller's intervention, it has not done so. In UNMIL, 47 per cent of the long-outstanding receivables of more than two years have been cleared. At UNDOF, the receivables are taxes reimbursable by the host Government. Efforts are ongoing to recover these long-outstanding accounts receivable.

Departments responsible	Department of Field Support and Department of Management
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

All recommendations discussed in the following paragraphs refer to recommendations contained in A/65/5 (Vol. II).

Board evaluation of the support account

107. **In paragraph 77 of its report, the Board recommended that the Office of Programme Planning, Budget and Accounts, the Department of Peacekeeping Operations and the Department of Field Support: (a) develop clear and specific [illegible] for posts to be funded by the support account for the backstopping of peacekeeping operations; and (b) require various departments that have posts funded by the support account to keep all supporting documents necessary to facilitate the evaluation of those posts and related activities.**

108. The Administration's comments on the recommendation were reflected in paragraphs 78 and 79 of the Board's previous report (A/65/5/Vol. II), chap. II). The Administration considers this recommendation implemented.

Department(s) responsible	Department of Field Support and Department of Management
Status	Implemented
Priority	High
Target date	Not applicable

Results-based budgeting

109. **In paragraph 93, the Board recommended that the Department of Peacekeeping Operations, in collaboration with the Department of Field Support, take measures to ensure that all missions regularly collect, review, compile and report the results-based-budgeting data for internal management purposes.**

110. The Department of Field Support confirms that, as part of the performance report on budgetary expenditures, missions are already submitting a comprehensive portfolio of evidence on its performance in respect of the results-based-budgeting framework. The collection and reporting of the portfolio of evidence are regularized within the missions and form a critical part of the performance report.

Department(s) responsible	Department of Peacekeeping Operations and Department of Field Support
Status	Implemented
Priority	High
Target date	Not applicable

Implementation of the budget for quick-impact projects

111. **In paragraph 102, the Board recommended that the Department of Field Support require all missions to improve the rate of implementation of quick-impact projects.**

112. The Department of Peacekeeping Operations and the Department of Field Support have been working to identify how problems, including underspending and project delays, could be addressed through improvements to policy, guidance and training frameworks. The two Departments undertook a comprehensive lessons learned study on the management of quick-impact projects in 2010-11. Findings from the study will feed into a formal review of the Department of Peacekeeping Operations-Department of Field Support policy directive on quick-impact projects (February 2007), which is currently under way. Revisions to the policy directive are due to be completed by the first quarter of 2012. In advance of the revision of the

Department responsible: Department of Field Support
Status: In progress
Priority: Medium
Target date: First quarter of 2012

Monitoring delivery of the drawdown and liquidation plans

113. **In paragraph 112, the Board recommended that the Department of Field Support perform an assessment to identify and document the significant risks to the delivery of the drawdown and mitigation plans. Those risks should then be subject to review by senior management on a weekly basis.**

114. Reference is made to the comments of the Administration in paragraph 161 of the Board's current report (A/66/5 (Vol. II)).

Department responsible: Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

Post-implementation review

115. **In paragraph 119, the Board recommended that the Department of Field Support conduct a thorough post-implementation and lessons learned review of the drawdown and liquidation plans for MINURCAT. The key lessons should be utilized to revise the liquidation guidance, if necessary, and to create clear guidance for the development and implementation of a drawdown plan to protect the substantive operations of closing missions and to facilitate orderly withdrawal.**

116. Reference is made to the comments of the Administration in paragraph 182 of the Board's current report (A/66/5 (Vol. II)).

Department responsible: Department of Field Support
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2012

Reconciliation of discrepancies

117. **In paragraph 130, the Board recommended that the Department of Field Support require all missions: (a) to carry out full and complete physical verifications of non-expendable property; (b) to make every effort to ascertain the reasons why assets have not been located; and (c) to expedite the process of reconciliation of discrepancies to ensure that the data relating to non-expendable property are accurate.**

118. Reference is made to the improvement in assets management acknowledged by the Board in paragraph 58 of its current report. In addition, comments of the

Administration on this recommendation are reflected in paragraph 79 of the Board's current report.

Department responsible:	Department of Field Support
Status:	In progress
Priority:	High
Target date:	Ongoing

Segregation of duties

119. **In paragraph 134, the Board recommended that the Department of Field Support require all missions to have in place proper segregation of duties relating to non-expendable property to ensure that items are not approved, issued and received from stock by the same person, or to consider mitigating controls where segregation of duties is not feasible.**

120. The Department of Field Support maintains its position as set out in paragraph 175 of the Board's previous report (A/65/5 (Vol. II)). The Department disagrees that the segregation procedure must be rigidly applied as a measure to mitigate a potential risk of misappropriation of assets or human error. The current guidance issued to the missions, such as the warehousing guidelines and the Galileo user requirements, specifically provide for flexibility in terms of functions of issuers of assets and approvers of issue vouchers. For peacekeeping missions that have a highly dispersed presence in a mission area, a significant number of warehouses or limited staff fully dedicated to warehousing functions, the implementation of this recommendation may imply an increase in human resources that is disproportionate to the potential losses associated with the identified risk. Furthermore, the Galileo Inventory Management System provides a sound and auditable transaction recording system that has proved to be an effective risk mitigation measure. In all instances, the equipment approved for issue, issued and received is subject to the personal accountability of the user, internal controls such as annual physical verification, check-out procedures and the write-off and disposal process. Therefore, the establishment of segregation-of-duties regulation in asset issue procedures for strict compliance by all the missions is not considered to be a feasible, cost-effective management solution. The fact that the Board was able to identify, through Galileo, 1,954 items (representing 0.4 per cent of the total asset base) as having been approved, issued and received by the same person indicates that internal controls are in place and effective. The lack of full segregation of duties in these instances does not mean that those items were misappropriated. The potential impact of such risk may not justify the cost of additional staff required to ensure full segregation of duties as a recommended mitigation measure.

Department responsible:	Department of Field Support
Status:	Dependent on availability of required resources
Priority:	High
Target date:	Not applicable

Lead time in the write-off and disposal of assets

121. **In paragraph 138, the Board reiterated its previous recommendation that the Administration strengthen its monitoring of the write-off and disposal of non-expendable property at missions, and expedite all pending write-offs and disposals.**

123. Reference is made to the Administration's comments on the recommendation contained in paragraph 86 of the Board's current report (A/66/5/Add.11).

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Ongoing

Stock ratio and surplus

123. **In paragraph 147, the Department of Field Support agreed with the Board's recommendation that all missions be required to: (a) establish appropriate stock ratios for all categories of properties based on mission-specific circumstances; and (b) regularly review their non-expendable property to ensure compliance with the established stock ratios and to avoid situations in which items are held in stock for unduly long periods.**

124. During the 2010-11 financial period, the Department of Field Support implemented quarterly reporting on the achievement of key performance indicators for property management, as stipulated in the standard operating procedure for monitoring of the key performance indicators dated 10 January 2011. The achievements of missions in the field of stock ratios were reviewed and performance analysis was conducted throughout the reporting period, with a follow-up on underperforming missions. The Department initiated several actions to reduce stock levels, including the establishment of a new requirement whereby missions would have to seek authorization from the Department of Field Support prior to the procurement of new equipment in cases where the procurement action exceeds $1 million. Furthermore, a resource efficiency working group was established with the aim of optimizing inventory holdings, validating stock levels and expediting write-off and disposal activity. As a result, the global stock ratios steadily declined from 31 per cent during the 2008-09 financial period to 28 per cent during 2009-10 to 18 per cent during 2010-11, which is within the target ratio of 25 per cent. In addition, the Department of Field Support, in a communication dated 30 March 2011, requested missions to review their asset holdings and expedite the write-off and disposal of obsolete and unserviceable equipment.

Department responsible	Department of Field Support
Status	Implemented
Priority	Medium
Target date	Not applicable

Non-disclosure in the financial statements

125. **In paragraph 154, the Board reiterated its previous recommendation that the Department of Field Support and the Office of Programme Planning, Budget and Accounts expedite their preparations for the disclosure of expendable property in the financial statements and/or in the notes thereto.**

126. On 30 June 2011, the Department of Field Support concluded an 18-month project entitled "Strengthening mission inventory management through the establishment of a centrally supervised catalogue of expendable property". The primary goal of the project was to establish a standardized central codification system for expendable assets similar to the current codification system for

non-expendable assets. The main goal of the project was achieved and, in addition, close to 100 staff members received training at regional training sessions. Through this project, nearly 70 per cent of all expendable records were standardized. A roll-out plan was disseminated to all missions in order to complete the remaining tasks. The new codification procedures and tools will lead to increased efficiency both in the financial and operational spheres, allowing the elimination of excessive inventory worldwide and needless duplication of asset holdings. It has already allowed IPSAS implementation teams to begin mapping expendable data to IPSAS standards. As earlier indicated to the Board, the target date for the implementation of this recommendation is the second quarter of 2013.

Departments responsible	Department of Field Support and Department of Management
Status	In progress
Priority	High
Target date	Second quarter of 2013

Physical count and discrepancy reconciliation

127. **In paragraph 159, the Department of Field Support agreed with the Board's reiterated recommendation that the Administration strengthen the management and control of expendable property by ensuring that accurate records are maintained, physical counts are periodically conducted, discrepancies are promptly investigated and corrective actions are promptly taken.**

128. The Department of Field Support is working closely with the Department of Management to identify preparatory measures to ensure accuracy, consistency and compliance of property data prior to the introduction of IPSAS in 2013 in order to arrive at realistic opening balance valuations. The Department of Field Support continues to make selective enhancements to the Galileo Inventory Management System associated with the improvement of business process management capabilities and business intelligence tools, in particular with respect to the introduction of the new codification solution for expendable property and barcode reading technology. With the completion of the project "Strengthening mission inventory management through the establishment of a centrally supervised catalogue of expendable property" and the introduction of the new codification system, it is expected that more reliable data for expendable property will be ascertained by 30 June 2012.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Third quarter of 2012

Stock level and slow-moving assets

129. **In paragraph 163, the Board recommended that the Department of Field Support require all missions to establish comprehensive stock level policies and take appropriate action in relation to slow-moving stock.**

130. The recent actions taken by the Department of Field Support within the context of its resource efficiency initiative, such as the review of high-value procurement actions against availability of surplus and global stocks, the revision and validation of Department of Field Support stock ratios, the regularization of

transshipment inventories, the optimization of United Nations reserve holdings, stock review and write-off of obsolescent equipment, contributed to the global reduction in unit stock and consequently to the improvement in the achievement of stock ratio key performance indicators. Department of Field Support stock ratio continuously improved over the past three years, from 31 per cent during the 2008-09 financial period to 28 per cent during the 2009-10 financial period to 18 per cent during the 2010-11 financial period. Globally, the actions taken resulted in a 32 per cent reduction of the global inventory "in stock" from $680,428,131 on 18 March 2011 to $463,147,175 at the end of the 2010-11 financial period.

Department responsible	Department of Field Support
Status	Implemented
Priority	Medium
Target date	Not applicable

Rotation of strategic deployment stocks

131. **In paragraph 167, the Board recommended that the Department of Field Support, in collaboration with UNLB, require that all missions take existing strategic deployment stocks into consideration in their procurement plans to reduce duplication of procurement of identical or similar model strategic deployment stock assets.**

132. Reference is made to the comments of the Administration in paragraph 105 of the Board's current report (A/66/5/Vol. II).

Department responsible	Department of Field Support
Status	Implemented
Priority	Medium
Target date	Not applicable

Major equipment not provided in accordance with the memorandum of understanding

133. **In paragraph 176, the Board recommended that the Department of Field Support take appropriate measures to ensure that the troop-contributing countries comply with the requirements of the memorandums of understanding concerning the provision of contingent-owned equipment.**

134. Discrepancies between major equipment listed in memorandums of understanding and major equipment actually deployed by troop-contributing countries is a common feature in all peacekeeping missions. In accordance with the Contingent-Owned Equipment Manual, troop-contributing countries are authorized to bring up to 10 per cent of major equipment into the theatre of operations to meet serviceability requirements. It should be noted that troop-contributing countries are not paid for the excess equipment deployed. Troop-contributing countries are reimbursed only for major equipment based on equipment deployed on the ground and verification reports on serviceability duly certified by the two parties. Concerning shortfalls, when the discrepancies are significant, the troop-contributing countries concerned are approached periodically both at the peacekeeping mission through their commanding officer and at Headquarters through their Permanent Missions to address the shortfalls. This is a routine practice in the contingent-owned equipment process for which the internal controls are sound and are operating effectively.

Department responsible	Department of Field Support
Status	Implemented
Priority	Medium
Target date	Not applicable

Short bidding time frame

135. **In paragraph 181, the Board recommended that the Department of Field Support require all missions to allow adequate time for vendors to submit their bids, as provided for in the Procurement Manual, or justify the short time frame provided.**

136. UNAMID and UNMIS confirmed that justifications are available for all deviations from the guidelines in the form of notes to the procurement case files. UNMIL, UNSOA, MONUSCO and the United Nations Interim Administration Mission in Kosovo (UNMIK) confirmed that steps had been taken to align submission timelines with those stipulated in annex D-20 to the Procurement Manual. In addition, the Department of Field Support reminded all missions in a communication dated 23 December 2011 to undertake effective acquisition planning and allow sufficient time for following the required rules, regulations and procedures.

Department responsible	Department of Field Support
Status	Implemented
Priority	High
Target date	Not applicable

Headquarters Committee on Contracts United Nations Operation in Côte d'Ivoire local committee on contracts

137. **In paragraph 192, the Board recommended that: (a) the Administration establish a mechanism to track the implementation recommendations of the Headquarters Committee on Contracts and take appropriate action in a timely manner when concerns are raised; and (b) the Department of Field Support require that the United Nations Operation in Côte d'Ivoire (UNOCI) local committee on contracts take similar measures.**

138. The Office of the Assistant Secretary-General for Central Support Services obtains information from the secretariat of the Headquarters Committee on Contracts and the Headquarters Property Survey Board on an annual basis in respect of monitoring of trends and review of the policy implementation. The last set of data was obtained in October 2011. In the meantime, the Office has successfully developed and is utilizing a database that allows enhanced monitoring of the implementation of the recommendation.

139. Regarding the UNOCI local committee on contracts, in its interim report issued during the fourth quarter of 2011, the Board of Auditors confirmed that UNOCI had implemented the recommendation.

Departments responsible	Department of Field Support and Department of Management
Status	Implemented
Priority	High
Target date	Not applicable

Liquidated damages

130. **In paragraph 197, the Board recommended that the Department of Field Support require UNAMID and UNMIL to establish a robust process, where appropriate, for claiming liquidated damages in a timely manner.**

131. In its interim report issued during the fourth quarter of 2011, the Board confirmed that UNAMID had implemented the recommendation. UNMIL established a Contract Management Unit that considers liquidated damages on a case-by-case basis, in accordance with the Procurement Manual.

Department responsible	Department of Field Support
Status	Implemented
Priority	High
Target date	Not applicable

Contract management

132. **In paragraph 200, the Department of Field Support agreed with the Board's recommendation that UNMIT and MONUSCO be required to have formalized contracts in place for the supply of all goods or services by third parties.**

133. MONUSCO has promulgated standard operating procedures for the management of leases and strengthened the monitoring role of the Contract Management Section, in particular, to include an alert function on contract expiry dates. A follow-up mechanism has also been developed to review all existing lease contracts due to expire within the next nine months and initiate the renewal process in a timely manner. These measures should ensure that leases are negotiated well in advance or that alternative accommodation is secured in a timely manner in accordance with the established procedures. Furthermore, the Mission established a working group to review and update current practices and to ensure that all sections involved with lease agreements (including engineering, procurement, security, legal and finance) comply with the provisions of the standard operating procedures and coordinate their required tasks prior to occupying leased premises.

134. At UNMIT, there is currently no contract because the sole supplier of Jet A-1 fuel in Darwin, Australia, still refuses to accept the United Nations general conditions of contract. As stated in the report of the Board of Auditors on the United Nations peacekeeping operations for the period ended 30 June 2010 (A/65/5 (Vol. II)), in the case of UNMIT, the supplier was the sole provider of aviation fuel in Darwin, which was where the Mission's medical evacuation facilities were located. UNMIT had no choice but to use the sole supplier to meet its aviation fuel requirements. the Mission made strenuous efforts to encourage the supplier to sign a contract that included the United Nations general terms and conditions, but to no avail.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Full implementation is dependent on external factors

Ex post facto cases

135. **In paragraph 207, the Board recommended that the Department of Field Support, in coordination with the Procurement Division: (a) endeavour to**

reduce the number of ex post facto cases; and (b) require MONUSCO and UNOCI to maintain a record of and monitor all such cases.

146. MONUSCO embarked on various measures to limit ex post facto cases and ensure adherence to the Mission acquisition plan, including improving the monitoring role of the Contract Management Section, staff training programmes, increased coordination mechanisms among stakeholders in the procurement process and enhanced procurement planning and management. In its interim report issued during the fourth quarter of 2011, the Board confirmed that UNOCI had addressed its concerns on ex post facto cases through the establishment of a Contract Management Unit.

147. The Procurement Division of the Office of Central Support Services notes that, overall, the Department of Field Support is in compliance with the provisions of the Procurement Manual and the Controller's memo issued and circulated on 15 September 2008, which sets forth specific conditions for the submission of ex post facto cases. In the process of reviewing ex post facto cases, the Procurement Division continues its efforts to provide guidance to the requesting offices in terms of lessons learned, in order to reduce future recurrence of such cases.

Department responsible	Department of Field Support and Department of Management
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

Vacancy rate

148. **In paragraph 219, the Board recommended that the Department of Field Support conduct a review on long-term vacant posts to determine whether they are still needed and take appropriate action, as necessary.**

149. The Department of Field Support conducts regular reviews and analysis of long-term vacancies in all missions. Various activities relating to long-term vacancies, including abolishment, redeployment and recruitment activities under the new talent management approach, have led to a dramatic decrease in vacancy rates for peacekeeping operations personnel. Thorough review resulted in the abolition or nationalization of a total of 660 posts by the end of June 2011.

Department responsible	Department of Field Support
Status	Implemented
Priority	High
Target date	Not applicable

Lead time of recruitment

150. **In paragraph 222, the Board reiterated its previous recommendation that the Department of Field Support take appropriate measures to reduce recruitment lead times for needed vacant posts.**

151. The Department of Field Support notes that improvements to the staff selection system and the introduction of rosters have led to a significant reduction in lead times for generic vacancy announcements. Hiring managers can now directly select a candidate from a roster of pre-vetted candidates who are available for

immediate deployment. In many cases, there are specific circumstances that delay the on-boarding of selected candidates, for example, they may decline the offer or may have to await release from their previous employment. The Department of Field Support has made significant efforts to ensure that recruitment-related procedures, such as clearance by the field central review body, are implemented in a timely manner, and expects that as missions adapt to the new process, recruitment lead times will be further reduced.

Department responsible	Department of Field Support
Status	In progress
Priority	High
Target date	Third quarter of 2012

Performance appraisal system

152. **In paragraph 232, the Department of Field Support agreed with the Board's reiterated recommendation that all missions implement procedures to ensure that performance appraisals are completed and signed in a timely manner.**

153. The Department of Field Support continually emphasizes the importance of compliance with e-PAS and regularly advises missions on ways to improve their e-PAS compliance rate. However, the measures taken are ultimately under the purview of the missions. UNMIL and the United Nations Integrated Peacebuilding Office in Sierra Leone (UNIPSIL) are currently piloting the e-performance system that is expected to replace the e-PAS. The e-performance system will be more user-friendly and technically stable, and will be supported by a network of performance focal points in every mission who will promote performance management and support the system on the ground. One of the expected results is a higher completion rate.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

Recovery of flight costs shared by other United Nations organizations

154. **In paragraph 247, the Department of Field Support agreed with the Board's recommendation that the MINURCAT Technical Compliance Unit follow up with regard to the estimated $1.5 million in unrecovered costs for aviation services provided to United Nations missions, agencies and other bodies in 2009-10 with a view to achieving full reimbursement of funds.**

155. As at 31 December 2011, the Department of Field Support had recovered a total of $1.2 million and is following up on the remaining $0.3 million.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

Air operations data management

156. **In paragraph 250, the Department of Field Support agreed with the Board's recommendation that the Air Transport Section be required to: (a) strengthen**

its data monitoring systems to ensure the completeness and accuracy of aviation data; and (b) enhance its analysis of the utilization of budgeted flight hours to identify the scope for improved efficiency in air transport.

157. The procurement process to acquire an appropriate air transport management system was concluded without a suitable outcome. Meanwhile, alternatives are being pursued within the Organization's existing data systems to capture and integrate aviation fleet data.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

Vehicles donated and handed over

158. **In paragraph 258, the Department of Field Support agreed with the Board's recommendation that UNAMID be required to: (a) carry out an investigation into donated vehicles, especially those that had not been located, and take appropriate measures on the results of the investigation to verify their existence; and (b) record the donated vehicles in the Galileo system and manage them under the same terms and conditions as the United Nations-owned vehicles.**

159. The Board of Auditors confirmed, during its audit of UNAMID in August 2011, that part (a) of the recommendation has been implemented.

160. UNAMID is in the process of obtaining the required approval from Headquarters to record the vehicles as United Nations-owned equipment. Meanwhile, self-accounting units maintain separate inventories of the donated assets and the UNAMID Transport Section has created a temporary database to keep track of these vehicles. In addition, these vehicles were considered as UNAMID assets in the preparation of the 2010-11 and 2011-12 budgets, thereby reducing the resource requirements.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Third quarter of 2012

Vehicle utilization and maintenance

161. **In paragraph 266, the Board recommended that the Department of Field Support require: (a) that MONUSCO maintain inventory levels of spare parts for vehicles, which will obviate the need for cannibalization; and (b) that MONUSCO and MINUSTAH regularly monitor the cost of maintaining the vehicles under their control and keep documentary evidence of the cost-benefit analysis used to support the continued use of vehicles reaching their replacement or write-off period.**

162. Regarding part (a) of the recommendation, the Organization is in the process of defining and developing a demand plan module under the enterprise resource planning system to automate demand forecasting and the reordering of spare parts. In the meantime, MONUSCO has established a task force to find ways of acquiring fast-moving spare parts locally or regionally or from neighbouring countries.

167. Regarding part three of the recommendation, in its interim report issued during the fourth quarter of 2011, the Board confirmed that MINUSTAH had implemented the recommendation.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

Liberty usage

168. **In paragraph 270, the Board recommended that the Department of Field Support require all missions to monitor the use of vehicles and record all liberty usage on a consistent basis, and to recover the related charges from the staff members concerned.**

169. In the interim report issued during the fourth quarter of 2011, the Board confirmed that UNMIK and UNOCI had implemented the recommendation. As earlier indicated, UNMIL is reviewing a draft administrative instruction and policy on the use of the Mission's vehicles for liberty purposes.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	Second quarter of 2012

Disaster recovery and business continuity

170. **In paragraph 289, the Department of Field Support agreed with the Board's recommendation that the United Nations Peacekeeping Force in Cyprus (UNFICYP) and UNSOA be required to establish a comprehensive disaster recovery and business continuity plan.**

171. The UNFICYP disaster recovery and business continuity plan was approved by all parties, including the Special Representative of the Secretary-General, Head of Mission, on 25 October 2011. The UNSOA disaster recovery and business continuity plan is pending approval by senior management.

Department responsible	Department of Field Support
Status	In progress
Priority	Medium
Target date	First quarter of 2012

United Nations A/66/694

General Assembly

Distr.: General
13 February 2012

Original: English

Sixty-sixth session
Agenda item 130
Appointments to fill vacancies in subsidiary organs and other appointments

Appointment of members of the International Civil Service Commission

Note by the Secretary-General

1. The Secretary-General has received notification of the resignation of Gilberto Parandes Yellowe (Brazil) from the International Civil Service Commission, with effect from 6 October 2011. Accordingly, the General Assembly will be requested, at its current session, to appoint a person to fill the vacancy for the remaining period of the term of office of Mr. Parandes Yellowe, which expires on 31 December 2013.

2. At its 93rd plenary meeting, on 9 November 2011, the General Assembly, on the recommendation of the General Committee following the request of the Secretary-General (A/66/250), decided to include in the agenda of its sixty-sixth session under the item entitled "Appointments to fill vacancies in subsidiary organs and other appointments" a sub-item entitled "Appointment of members of the International Civil Service Commission" and to allocate it to the Fifth Committee.

3. The Government of Mexico has nominated Luis Mariano Hermosillo to fill the vacancy arising from the resignation of Mr. Parandes Yellowe.

4. In a communication dated 30 January 2012, the Secretariat was informed by the Chair of the Group of Latin American and Caribbean States that the candidature of Mr. Hermosillo had been endorsed by the Group.

5. The appointment of the members of the Commission is governed by the provisions of articles 3, 4 and 5 of its statute. Pursuant to those provisions, and in accordance with paragraphs 3 and 4 of section B of General Assembly resolution 43/226, the Secretary-General has undertaken consultations with Member States, through the chairs of the various regional groups, with the executive heads of the other organizations, with staff representatives through the Federation of International Civil Servants' Associations and the Coordinating Committee for International Staff Unions and Associations of the United Nations System and with the Advisory Committee on Administrative and Budgetary Questions.

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6. The Secretary-General thus submits to the General Assembly for its consideration the candidate nominated for membership in the International Civil Service Commission to fill the remaining period of the term of office of Mr. Paramhos Velhose, which expires on 31 December 2011.

The candidate's curriculum vitae is contained in an annex to the present note.

Annex

Curriculum vitae

Luis Mariano Hermosillo (Mexico)

Education

Bachelor of Science in Computer Engineering
Universidad Nacional Autónoma de México

Diploma in Accountancy and Finance
Instituto Tecnológico Autónomo de México

Diploma in Computer Sciences
Instituto Tecnológico y de Estudios Superiores de Monterrey

Diverse studies in quality management systems, process re-engineering and tools for the development of computer systems.

Profile

Twenty four years of professional experience in the Federal Government of Mexico, including seven years as Director General of Programme Planning, Budget and Organization in the Ministry of the Economy of Mexico, and eight years in the equivalent position in the Ministry of Foreign Affairs.

Experience

Planning and execution of federal Government spending in the State ministries, as well as in State-owned companies and representation offices throughout Mexico and abroad.

Implementation of quality management systems in order to identify, measure, control and improve the various core Government processes and ultimately to improve performance.

Development of software for budget administration and public debt management.

Member of the audit and control committees, as well as the board of the council of the State-owned companies under the coordination of the Ministry of the Economy of Mexico.

Member of the Board of External Auditors of the Organization of American States.

Member of the Committee on Contributions of the United Nations in 2009 and 2010.

Professional experience

Ministry of Foreign Affairs
Director General for Programme Planning, Budget and Organization (2003-the present)

Duties:

- Compilation and planning of the yearly budget of the Ministry of Foreign Affairs, as well as its 154 diplomatic representations abroad.

- Budget administration and programme planning
- Accounting and accountability reports
- Administration and control of consular income
- Coordination of the regulatory improvement programme of the ministry of foreign affairs

Accomplishments:

- Decentralization of budget management
- Process re-engineering and standardization of policies and procedures for budget execution in the Ministry of Foreign Affairs and its diplomatic representations
- Determination of a basic budget for the operation of Mexican diplomatic representations
- High level negotiations with the Ministry of Finance and Public Credit, in order to obtain the necessary financial resources for the operations of the Ministry of Foreign Affairs, as well as its 154 diplomatic representations abroad
- Design and implementation of a system for administration and management for the diplomatic and consular network of the Ministry of Foreign Affairs
- Implementation of a system to meet the requirements of the representations abroad, based on workflows
- Contribution to enhance the administrative processes of the Organization of American States by participating as a member of the Board of External Auditors, which reviewed the 2004, 2005 and 2006 financial reports
- Design and coordination of the installation and operation in 2010 of the Climate Change Village, a venue that received more than 128,000 visitors and hosted nearly 160 expressions and dialogues of non-governmental organizations during the sixteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change

Ministry of the Economy
Director General for Programme Planning, Budget and Organization (1996–2003)

Duties:

- Compilation and planning of the yearly budget of the Ministry of the Economy
- Budget administration and programme planning
- Accounting and accountability reports
- Coordination of the regulatory improvement programme of the Ministry of the Economy
- Programme and budgetary coordination of funds, trusts and State-owned companies

- Member of the audit and control committee as well as of the board of the council of the State-owned companies

Accomplishments:

- Implementation of budgetary control software
- Implementation of a quality management system for budget management with ISO 9000:1994 standards and subsequently migrating it to ISO 9000:2000 standards, which involved a complete transformation of the Directorate General for Programme Planning, Budget and Organization into an efficient, transparent and privatized Government office
- Transparent budgetary management, with the result that in seven years there was not a single sanction imposed by any Government audit offices

Ministry of the Economy (1995-1996)
Director for Computer and Communications Infrastructure

Duties:

- Planning, acquisition and administration of computer systems infrastructure needed for the operations of the Ministry of the Economy as well as the State offices

Ministry of Finance and Public Credit

Several managerial and director positions involving the following activities:

- Coordination of 8 computer systems centres and 64 offices for tax collections of the Directorate of Revenue
- Project development for computer infrastructure and information technologies for the diverse regional and local offices of the Directorate of Revenue
- Administration and operations of the computer centre, including planning and execution of tax collection processes and technical support
- Supervision of the computer systems in the local administrations of the Directorate of Revenue
- Software development for the Directorate of Finance and Public Credit, including software for treasury management, public debt analysis, monitoring of franchises and management of investment companies
- Administration of databases and operating systems of the Directorate of Finance and Public Credit
- Design and analysis of the information system of the Director ate of Finance and Public Credit

Computer skills

Word, Excel, PowerPoint and Access

Languages

Spanish and English